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NEAR EAST/SOUTH ASIA REPORT

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ARMENIAN AFFAIRS

SOVIET EMBASSY RECEIVES DELEGATION, REFUSES ARMENIAN PROTEST

Tehran ALIK in Armenian 26 Feb 86 p 2

[Text] At 10 am on February 5, a 3-man Armenian delegation paid a previously arranged visit to the Soviet Embassy in Buenos Aires and was received by embassy counselor Viktor Rachenko and Consul Nikolai Boznikov (the ambassador, Oleg Kvasov, was away in the Soviet Union).

The purpose of the delegation was to comment on Paragraph 24 of the Whitaker report which was endorsed by the Subcommission on Prevention of Discrimination and Protection of Minorities of the UN Human Rights Commission last August and the well-known stance of Soviet expert Sofinski and to convey to the Soviet mission the resentment caused among Armenians in the diaspora.

Let us mention that on January 15 the Soviet embassy was delivered a memorandum which referred to the indifference displayed by Sofinski and the Soviet delegation with respect to the recognition of the Armenian genocide at the subcommission's meeting in Geneva and which asked the embassy to convey to the Soviet government the protests and the displeasure of the Armenians of the diaspora.

During the 1-hour meeting at the embassy, members of the Armenian delegation conveyed the following explanations to the Soviet officials:

--The protest that has been made applies in particular to the stance of Soviet expert Vsevolod Sofinski at the UN subcommission's meeting in Geneva.

--The international recognition of the genocide is of importance to all segments of the Armenian nation.

--In the Whitaker report, the part that was of most interest to the subcommission meeting, the international press and the world public opinion was the Armenian question.

--The mention of the Armenian genocide in the Whitaker report was the culmination of many years of struggle and effort.

--At the meeting in Geneva, Turkey fought directly against the Armenians and waged an intensive propaganda and persuasion campaign among the members of the subcommission.

--Soviet expert V. Sofinski and the Soviet delegation in general displayed an indifferent attitude, and not only did they not make any positive comments

Sofinski became the only one who voted against the resolution endorsing the Whitaker report.

The Soviet embassy representatives responded to these comments by stating that the Soviet Union condemns genocide wherever it occurs and that the Soviet Union was itself subjected to genocide in World War II and lost 20 million of its citizens. (Consul Boznikov said, "Nine members of my own family were killed" apparently trying to say: "Why are you raising such a clamor?")

Mr Rachenko asked: "How many victims did the Armenians lose? Five-hundred thousand?"

The members of the Armenian delegation replied that the Armenians lost 500,000 people during World War II, that in 1915 they lost 1.5 million and that in the latter case it was not a war but an organized genocide.

Finally, the Soviet officials said that the Soviet Union wants peace among nations and that on the issue of territorial rights it remains committed to the national borders created in the aftermath of World War II.

Mr Rachenko asked: "How will you return to [your] lands? By war?" He added that it is necessary to forget all these for the sake of peace because there are many other nations which have their own demands.

The members of the Armenian delegation stated that their only objective is to convey our protest to the Soviet government in connection with Sofinski's negative stance. They added that other issues related to the Armenian question can be discussed on another occasion and that the issue that is of interest to us at the moment is the international recognition of the Armenian genocide.

The Soviet embassy officials stated that they have no information about the Geneva meeting, that they cannot accept the protest and that the protest must be made directly to the Soviet delegates in Geneva or the Soviet government.

The Armenian delegation responded that Armenian National Committee representatives in Geneva have had several meetings with the Soviet expert and other members of the Soviet delegation and that, however, those delegates have not spoken out against the Armenian genocide.

The Soviet officials reiterated that they cannot accept the note of protest and convey it to their government and that the Armenian delegation must deliver its note of protest directly to Moscow.

The members of the Armenian delegation stated that their impression was that the way to contact any government was through its embassy. They added that the Armenian genocide has gained wide acceptance in the world public opinion and that embassies of many nations, regardless of what bloc they belong to, have received Armenian delegations appealing to them with good will and have conveyed to their governments the questions submitted by the Armenians--except, of course, the Turkish embassy which has always refused to receive Armenian delegations.

The delegation thanked Messrs. Rachenko and Boznikov and departed from the embassy.

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CSO: 4605/25

ARMENIAN AFFAIRS

GREEK NOTABLES ENDORSE COMMUNIQUE SUPPORTING ARMENIAN CAUSE

Tehran ALIK in Armenian 3 Mar 86 p 2

[Text] Thanks to the initiative of and many months of work by the ARF [Armenian Revolutionary Federation] Armenian National Committee in Greece, 55 prominent individuals in political, intellectual, academic, artistic and cultural spheres in Greece expressed their complete support and solidarity for the Armenian genocide and the restoration of the Turkish-occupied Armenian ancestral lands to their rightful owners, the Armenian people.

The members of the Armenian National Committee in Greece took this initiative within the framework of the work conducted with regard to the 70th anniversary of the Armenian genocide. The work to contact the said individuals, to meet them, to talk to them and to secure their signatures expressing solidarity took many months.

The said 55 individuals signed a communique-resolution presented to them by the Armenian National Committee. We present the text of the communique separately below.

Gathering in Armenian House in Athens

On February 13, a gathering was held in the Armenian House in Athens featuring the culmination of many months of work by the ARF Armenian National Committee in Greece, namely the expression of solidarity for the Armenian cause by 55 prominent individuals in Greek life.

Present at the gathering in the Armenian House were about 35 Greek and foreign journalists and reporters including the correspondents of channels 1 and 2 of ERT [Greek Radio and Television Corporation] and the Athens News Agency as well as the deputy Athens bureau chief of the French news agency and representatives of the English-language ATHENS NEWS and other foreign newspapers.

The Greek television, radio and press reported extensively on the initiative of our committee.

The gathering organized by the Armenian National Committee was reported on ERT's Channel 2 at 6 pm and on Channel 1 at 9 pm. The reports carried pictures depicting the genocide and the Armenian cause from the "publications corner" of the room where the gathering was held. The reports also carried segments of the coomunique signed by the 55 dignitaries and the names of the signatories.

At 8 pm that day, the radio station carried a long broadcast featuring a report by correspondent Apostopoulou and an interview with Shahan Farachian.

After welcoming the journalists on behalf of the ARF Armenian National Committee in Greece and briefing them about the significance of the day's event, Farachian talked briefly about the discussion of the Armenian question at the European Parliament, the positive stance of Greek parliamentarians in that forum and the pro-Armenian statements made by Greek Deputy Foreign Minister Thedoros Bankalos.

Text of Communique

Seventy years ago, in April 1915, a crime was committed against a nation, the Armenians, with the consent and cooperation of the Great Powers. Taking advantage of the confusion created by World War I, the Young Turks attempted to rid themselves of the peoples which, despite centuries of servitude, had lost neither their national identity nor their will to revive their national cause. During that period, 1.5 million Armenians were exterminated irrespective of age or gender and a systematic campaign was undertaken to destroy all monuments which could document the imposing presence of an ancient nation with a great civilization.

Those who survived the genocide of 1915 and rebuilt their nation tenaciously preserved their national identity and kept up their hope for the just resolution of their national cause, and today, 70 years after the massacre of their ancestors, they call upon humanity to reevaluate its responsibilities. Silence about the Armenian genocide has opened the way for similar tragedies, such as the Nazi attempt to exterminate another nation 40 years ago and, more recently, the attempt to obliterate Hellenism in Cyprus by the successors of the perpetrators of the 1915 genocide.

With this communique we wish:

a) To honor with the Armenians the memory of the victims of the 1915 genocide;

b) To underscore our solidarity with Armenians, to condemn the genocide and the violation of international standards of human rights and to demand the restoration of historic facts;

c) To express our solidarity with the struggle of the Armenian people for a peaceful resolution of the Armenian question and the restoration to this people of their ancestral lands.

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CSO: 4605/24

TURKEY SAID TO SEEK 'NEW POLICY' TOWARD ARMENIAN QUESTION

Tehran ALIK in Armenian 4 Mar 86 p 3

[Text] [Editor's note:] Below we present a very interesting article by Mehmet Ali Birand which appeared in MILLIYET's 18 December edition. Birand is already well-known among Armenians.

The article is noteworthy for several of its features which must not escape the attention of Armenian historians, jurists, political scientists and party officials. The article speaks explicitly about a policy of "gaining time" with several objectives such as indoctrinating the Turkish public opinion, reshaping the world public opinion in favor of the Turkish viewpoint and to open Turkish government archives in order to refute allegations of genocide. The article adds that all this will be done by a "suitable body of international experts who enjoy the respect and trust of the entire world."

Birand says that such historic and scientific research may help Turkey to gain 10 to 15 years of time and that during that time Turkey may establish a new balance. Otherwise, Birand asks, how much longer can Turkey continue to keep up its pressure on all fronts? He thus proposes an imperative new policy for Turkey out of concern that it may get tired one day. A new method of operation and a new policy!

Armenian organizations that have been campaigning against Turkey wish to see Ankara react strongly against its Western allies so that a deterioration may result first in its relations with its European allies and later its ties with the United States.

In other words, through these provocations they would like to bring about a gradual isolation of Turkey and a growing bitterness between Turkey and its allies. They want to create such a situation, that is, to alienate Turkey from the West, because it would be much easier to demand compensation or territory from a Turkey that is isolated and grown bitter with its allies than from a country that is surrounded by friends.

Consequently, Turkey must be careful not to be carried away by such conspiracies and tricks. It must calculate its responses very carefully and it must think about the form, mode and degree of its responses very prudently. But frankly speaking, we must state that these calculations have apparently never been carried out properly.

It is time for Turkey to select a new approach and perspective.

Today, Turkey is confusing two issues which must be differentiated:

1) The world public opinion and the Turkish public opinion are evaluated using the same methods and the same yardsticks.

In the Turkish public opinion a void of ignorance existed with regard to the Armenian question. This void was easily filled thanks to a public which is receptive to Turkish views and which does not like asking too many questions. The information that was provided was easily digested by the public despite its crude and disorganized form.

However, such a void did not exist in the foreign public opinion, because in the course of years the Armenians had filled that void with allegations of a so-called "genocide" while Turkey did not even make an appearance in that domain. Consequently, when Turkey insists today that what is being said is untrue and that a "genocide" never took place it finds that that is not enough to convince everyone. Ankara's graduated response in the last few years, its slow emergence from its shell to appear in international forums and conferences and its attempts to defend its thesis using such leading scholars as Ataov, Gurun and Soysal have begun to alter certain conceptions in our favor and something has begun to change in the world public opinion.

We believe that in time these changes will become more tangible.

2) The second instance where Turkey confuses two different issues which must be differentiated is the issue of Armenian terrorism and the historical perspective of the problem, i.e. the allegation of "genocide."

Against Armenian terrorism we can always find support from both the West and the East, but that alone would not solve the problem. In fact, for us the fundamental problem is that we must first of all refute the stubborn allegations made with regard to a genocide. For that, Turkey needs time, and the best means of gaining time is the method proposed by Metin Toker, namely to open the Ottoman archives and to refute all charges in the light of the documentation in those archives. We believe that it would be beneficial to announce that all documents in the said archives would be examined and published down to the last detail.

Of course, all archives would not be opened nor would everyone wishing to see them be allowed to examine them and to use them as he likes. A group of internationally respected and trusted historians which we approve would be formed and no one would be able to object to that body.

This way, Turkey would be able to gain at least 10 to 15 years. During that time we can publish documents and papers which command credibility while establishing a new balance in the void filled by the Armenians using a systematic propaganda campaign. The least we would gain from this enterprise is that the world public would see that the issue has another side which deserves ponderance or at least some consideration in order to reach a just solution.

If such an environment can be created in the coming years there will no longer be any need to make such extraordinary efforts to defend our cause and ourselves against assaults and charges brought against us in the U.S. Congress or in the European Parliament. Otherwise, we must not forget that although the Armenian resolution has been withdrawn from Congress for the moment for strategic and other reasons and has been suspended indefinitely, it may be tabled again tomorrow as soon as the restraining pressures subside. Because neither Turkey nor Congress nor the U.S. Administration can keep up the present level of pressure; some day the issue will surely cool down and the pressures will subside. The Reagan administration cannot continue waging its campaign in its present form and remain dominant for too many months.

It is time to begin considering a long-term strategy and adopt a policy to which all the means at the disposal of the government must be committed.

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CSO: 4605/22

ARMENIAN AFFAIRS

'ARMENIAN GENOCIDE' DISCUSSED AT EUROPEAN PARLIAMENT

Beirut AZTAG in Armenian 6 Mar 86 p 3

[Text] The genocide perpetrated by the Turks against the Armenians in the period between 1915 and 1917 was included in the agenda of the 22 January session of the European Parliament's Political Committee despite Turkish efforts to prevent the issue from being discussed. The Turks obviously failed because the committee spent 6 hours, sometimes amid intense debate, examining a report-resolution prepared by Belgian parliamentarian Vandemeulbruch who is also the head of the "rainbow coalition" in the European Parliament. The report was submitted to the Political Committee at the end of last year. The report states explicitly that the genocide perpetrated against the Armenians must be classified as a "crime. The report further says that justice must be restored for the Armenian people and that Turkey must be condemned for this crime.

The Belgian parliamentarian ends his report with the following sentence: "Only then will the Armenian people recover its national identity and justice."

The debate on the Armenian genocide which took several hours strongly underscores the fact that the Armenian question must win the unanimous sympathy of the parliamentarians. That is why the parliamentarian who prepared the report did not focus his thesis exclusively on the Armenian genocide but also spoke about the condition of Armenians in the Soviet Union, Iran, Iraq and Lebanon and the difficulties that have been overcome.

Forty-five parliamentarians were present at the 22 January session of the European Parliament's Political Committee. Also present at the session were the coarse and biased voices intent on defending Turkey or minimizing its crimes.

The defenders of the Turkish viewpoint based their arguments on the question of what need there is to resurrect events that have taken place 70 years ago and to jeopardize the already weakened relations between the EEC and Turkey.

Such arguments were brought by British, German and Dutch and a few Italian parliamentarians who tried to justify not only the genocide committed against the Armenians but also Turkish crimes committed against Kurds and the invasion of Cyprus.

At the core of these parliamentarians' arguments was the premise that the goal of the massacres perpetrated against the Armenians was not a genocide and that they were the result of wartime incidents in 1915.

French socialist parliamentarians as well as all the Greek parliamentarians spoke out against the parliamentarians who expressed these viewpoints and who are members of right-wing groupings in the European Parliament.

Sources in the European Parliament have indicated that the Armenian question is an arousing issue for political circles in the parliament and that it has caught the attention of those circles.

Armenian national committees have also been working intensively in this area and have evidently scored a number of successes.

The fact that the European Parliament spent more than 5 hours on this issue at a time when 35 items were on the agenda waiting their turn to be considered and the fact that the parliamentarians ignored session chairman Italian Christian Democrat Formiconi's frequent interruptions to end the debate earlier and continued the debate indicate that the issue has created considerable interest among these circles.

The right-wing grouping proposed that Vandemeulbruch make some changes on Item 6 on the agenda, which was the issue of the Armenian genocide, and resubmit it at the committee's next session (the committee meets once each month) with the changes made along the proposals that have been put forward. Naturally, these proposals have no binding force on the reporter. He can resubmit his report unchanged at the Political Committee's next meeting.

The secretariat of the session believes that although, in principle, the issue of the Armenian genocide must be submitted to the February session of the committee its discussion may be postponed for 2 months because of a backlog of agenda items.

While these deliberations were held in camera in the session hall, a Turkish delegation consisting of 30 persons waited outside impatiently for the outcome of the meeting. They waited to contact their pro-Turkish friends as well as to guide them, to pressure them and--why not?--to bribe them.

The Armenian Revolutionary Federation's Armenian National Committee was also present with its members in order to monitor closely the results of its years of work.

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CSO: 4605/23

EDITORIAL HAILS MUBARAK'S GRADUAL APPROACH

Cairo AL-AHRAM in Arabic 8 Feb 86 p 20

[Editorial by Anis Mansur]

[Text] President Husni Mubarak has adopted two principles for his domestic and foreign policy.

On the domestic scene, he has endeavored to seek the continuation of stability and the stabilization of this policy of continuation. The transition of power to him was a peaceful one, and his conduct of Egypt's affairs has also been peaceful. This has been true in spite of the huge social, political, and economic difficulties he has been faced with. He has tried to have everything be accomplished gradually and has become a model for men of authority and those who are members of his party.

When dealing with the media attacks on Egypt, he has been modest in the statements he has made. He has refused to engage in gutter language. Persons writing for the press have followed his lead in his confrontation with Syria and Libya, but we members of the press have not been modest in the statements which we have made to each other--that is, the opposition newspapers and the national [pro-government] newspapers have not been modest in their statements made to each other, nor has this been true of the opposition and the government. The modest statements which have been made have been for export rather than for domestic consumption. Whoever buys a newspaper can see how Egyptians themselves are heaping abuse on their government, their opposition groups, and their own nation. They can also see how much Egypt hopes for stability and is anxious to have democracy. For the first time we have the feeling that the press is a fourth estate which is threatening the other centers of authority through exercising its power by means of intimidation, terror, and exposes.

A few days ago Libya stopped its attacks against the Egyptian government and the Egyptian people. Whatever the reasons were which impelled President al-Qadhdhafi to do this, they represent a first step toward people following a rational approach.

Egypt and Libya differ concerning many issues. So be it. We have two different approaches when it comes to friendship and enmity. So be it. If we want to improve relations as well as restore them and consolidate them, then there are other means to do so.

I have always been greatly in favor of seeing the borders between Egypt and Libya as well as between Egypt and Syria be opened up, and I have always been in favor of having us open our arms, our hearts, and our minds as well. We have no expansionist dreams. We only want to be good neighbors. We want only to have cultural interaction and peaceful coexistence. We want Egyptians to be able to go to Syria and Libya, and we want Libyans and Syrians to be able to come to Egypt. If we cannot have a romantic friendship, then we can at least have mutual interests which are beneficial and useful to the two sides involved.

If Egypt is not being insulted, this does not necessarily mean that Egypt is being loved. This merely represents a humble beginning in the right direction. But the solution is to have positive steps taken. So let us have Egypt be the first nation to take such positive steps, because Egypt is the largest of the countries involved, and somebody has to be the first to do something!

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CSO: 4504/217

EGYPT

PLANS FOR NEW COLLEGES DISCUSSED

Cairo AL-AHRAM in Arabic 11 Feb 86 p 20

[Editorial by Anis Mansur]

[Text] I asked Dr Fathi Muhammad 'Ali, the minister, for more information concerning his plan to establish colleges specializing in the utilization of desert areas and dealing with, adapting to, and controlling the environment. These new establishments are supposed to be in al-Sadat City--that is, outside the Egyptian Delta and far away from the population congestion and centers of bureaucracy in Cairo and the local capital cities and they are also thus supposed to be in a position to be able to survive.

This is a step which has corrected the path taken by university education in Egypt. It began with the Canal University which specialized in maritime areas, navigation, creatures living in the seas, petroleum, and mines. Right now we should not be debating whether or not Egypt has more universities than it needs. When it comes to culture and education, we should not be saying what is necessary and what is superfluous. We have an unlimited need for education. This is especially true since the population of Egypt is in the neighborhood of being 67 percent illiterate.

It is necessary for us to have specialists to quickly deal with all of the problems of Egypt and its environment, and these include desert encroachment, drought, dams, ground water, increase in the dampness of the soil, the lack of [the soil's] fertility, the Nile roses, sewage facilities, snails, hospitals, bilharziasis, ancylostomiasis, narcotics, sex-related problems, political and religious extremism, tendencies toward psychological and social aggression, emigration, emigrants, persons sent abroad on study missions, mixed marriages, strip mining, trespassing on land and buildings, violations of the law, and crimes within the family. All of these issues are ones which tear apart and inflame Egyptian society. The reason for this is that Egyptian society has grown larger and, as a result, it is experiencing all the shortcomings, features, and tragedies of the other large-scale societies all over the world.

All we have to do is to read the publications put out by the great universities of the world concerning the problems of the Third World in order to know how diversified these universities are, how well-informed they are concerning the various types of issues both inside and outside the countries where these universities are located, and how capable the universities are, at any time, of dealing with these problems. For example, the best studies made concerning problems associated with desert areas are studies which have been produced in Great Britain--where there exists not even one square inch of desert!

Nevertheless, the little information which has been passed on to us is information which deserves our interest and shows us that the minister of higher education is a person who possesses a new and serious attitude and spirit.

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CSO: 4504/217

EGYPT

LAWS TO CLEANSE ISLAMIC ATMOSPHERE URGED

Cairo AL-AHRAM in Arabic 14 Feb 86 p 15

[Editorial by the editor: "Expected from the People's Assembly"]

[Text] Last year the People's Assembly discussed, in detail, Islamic missionary activity. It held a number of hearings which saw the participation of all those concerned with this important issue. The discussions ended with the setting forth of solutions designed to promote Islamic missionary activity both at home and abroad and to improve the level of Islamic missionaries from the academic, material, and social points of view.

The People's Assembly also responded to the desire on the part of a large segment of Egyptian society to revise the Personal Status Law. Last year the People's Assembly also held a number of hearings for this purpose, and the result was an agreement to introduce a number of amendments to the law which would provide more stability for the family.

In addition to this, the People's Assembly has also recently held several successful sessions which were devoted to discussing the matter of drugs and narcotics.

The People's Assembly should now, I believe, be required to start moving in the direction of eliminating the claim to the prophecy and the appearance of the mahdi, as well as the cleansing of Egypt's Islamic atmosphere of all phenomena of deceit, charlatanism, and irregularities pursued in the name of religion in addition to all extremist ideas which have come to us both from the East and the West--including the Baha'i doctrine. These are ideas which have the objective of "confusing the minds of" young people and planting the seeds of doubt in the minds of older persons as far as the status of our tolerant [Islamic] faith and noble religion is concerned.

This matter, as stated in the declaration made by the Islamic Research Academy, is quite a serious one, and requires that our legislative, judicial, and executive authorities take quick action.

The phenomena which we see around us which could be characterized as irregularities in the name of religion or which we could call religious extremism actually constitute a type of strife which has not received the attention that it deserves, even though it amounts to a grave crime. In fact, in the opinion of the religious 'ulama', it is a grave sin. The time has come for us to take the initiative and defend the laws of God which are being broken and to defend the faith of God--Islam--which people are being led away from. As a result of this, they are being led toward sin both by means of false words and by means of compulsion.

This is an appeal which I am directing to Dr Rif'at al-Mahjub, the speaker of the People's Assembly, and I am asking that the appeal be given due consideration. I am requesting that, during the course of a few days in the near future, this appeal be the subject of extended hearings to be held by the Religious Affairs Committee of the People's Assembly--hearings that should be demanded by all of the parties concerned such as the 'ulama', intellectuals, cultural leaders, and those working in the media. The opinions and proposals resulting from such sessions should then be presented to the People's Assembly, and the People's Assembly should employ these opinions and proposals to create new legislation which could eliminate imposters and charlatans who operate in the name of religion and could protect our nation and its citizens from their evil deeds.

Social and Islamic Thoughts and Ideas

One of the religious, literary, and social studies which I have read this week was a book called "Thoughts and Ideas" [khawatir wa afkar], written by Prof Kamal al-Shuri, former deputy minister for land registry in the Ministry of Justice. The book was published by the Islamic Heritage Library [maktabat al-turath al-islami] in Cairo, and in the book the author dealt with eloquence and the purity of language in the Qur'an. He also took it upon himself to draw a comparison between narratives in the Qur'an and narratives in literature. In a very straightforward and attractive manner he dealt with a number of religious topics, including the Muslims' method of creating the Islamic community and the consultative institutions of Islam.

In his book, Prof al-Shuri also dealt with the biographies of a number of prominent intellectuals and religious thinkers, including the Grand Imam, His Excellency Shaykh Muhammad al-Khudr Husayn, Dr Ahmad al-Sharabasi, and the great man of letters, Mustafa al-Sadiq al-Rafi'i. In fact, I learned a lot of new information concerning the biographies of these great men, and I hope that our young people will derive benefit from becoming acquainted with their pioneering thought in the fields of knowledge and morals.

9468
CSO: 4504/217

CORRUPTION CASES NO LONGER COVERED-UP

Cairo AL-AHRAM in Arabic 15 Feb 86 p 7

[Editorial by Salah Muntasir: "Corruption and the Government"]

[Text] A person accused of something is innocent until he is proven guilty.

With regard to the case involving a number of prominent persons working in the industrial sector being accused of bribery, certain facts have already been revealed and the exciting and frightening details of these facts have been made public by the prosecutor general.

It would not infringe upon the rights of any of those who have had accusations made against them in this case if we clearly state the real significance of this case.

The real significance of this case is that the rulers of Egypt are not covering up corruption, no matter what kind of corruption it is, no matter who is involved in such corruption, and no matter what positions the people involved occupy.

Cases of corruption have occurred throughout the ages, but the real virtue of a given regime is to be found in the fact that it does not cover up corruption, it tracks down and prosecutes such corruption, and it is not afraid to take hold of and expose this corruption.

One of the features of Mubarak's regime has been that of stamping out and prosecuting corruption and subjecting the people involved in such corruption to a fair trial in which the judge undertakes to investigate the accusation and to render his verdict.

This case was not one which was brought out into the open by the press of the opposition, nor did this occur as a result of questions and inquiries made by the opposition such that it could be blown out of proportion. The matter was one which was uncovered by the eyes and organs of the government which did so out of a sense of duty to carry out the mission entrusted to them by the government--and this mission means not covering up corruption and not protecting those responsible for it or involved in it.

Those who cover up corruption and who, in some cases, provide protection for those involved in it, are even worse than the corruption itself. We have lived through a time in which the centers of corruption were in fortresses having closed doors in front of which stood armed guards who were providing protection for the exercise of this corruption. There were those who knew what was going on, but were afraid to talk. There were also those who did not know what was going on, because the nature of the regime was such that it did not allow them to know.

But today, thank God, if any corruption occurs, there is no longer anyone to protect it or cover it up.

Two verdicts will come out of this particular case. There will be the verdict which we will hear when it is rendered at the conclusion of the case, and there will be the verdict [against corruption] which we will hear and which will reassure us because of its righteousness and integrity.

9468
CSO: 4504/217

WESTERN SAHARA

PAPER VIEWS PROSPECTS FOR PEACE SUMMIT

Paris LE MONDE in French 4 Mar 86 p 6

[Article by Frederic Fritscher]

> [Text] The very idea of convening a Maghreb summit meeting without the two belligerents directly involved in the Western Sahara conflict seems to us both constructive and necessary. Such a meeting might well persuade the warring parties to come to a peaceable solution, which would lead to a six-party summit," said the President of the Saharan Democratic Arab Republic (RASD), Mohamed Abdelaziz at a press conference on Saturday 1 March, at the conclusion of ceremonies marking the 10th anniversary of the proclamation of the RASD on 27 Feb 1976.

With his slightly receding hairline and his neat little goatee, dressed in olive-drab fatigues without insignia of rank, Mohamed Abdelasiz spent 3 hours answering questions from 150 reporters from every part of the world. With his frequent references to Resolution 104 adopted on 11 June 1983 by the OAS, he dwelt on the necessity for direct negotiations between the Polisario Front and the Moroccan government.

"Negotiations are inevitable: there is no way around them," he said, "because a military situation is more than difficult: it is impossible." He went on to add: "Our war with Mauritania has taught us that there is no point in trying to cruch a whole people." (...) "Struggles for liberation invariable end around a green baize table."

Further, diplomacy is the turf on which RASD has been most successful. It (RASD) is vice-president of the OUA and 63 countries have recognized it. More than 500 people joined with the Sahraoui to celebrate the 10th anniversary of its proclamation. Delegations from every corner of the globe and from all levels of governments, political parties, labor unions, and solidarity groups -- were on hand to hear Henri Saby, a European MP (French) who heads the press relations office of the Socialist group, call this gathering "an international event of paramount importance."

The military parade bore no resemblance to a rag-tag gaggle of guerrilla fighters. As for the throng of Sahraoui present, which Abdelaziz, agreeing for the first time with international estimates, set at "more than a quarter of a million," they must have perceived it as gigantic.

Applauded by the women dressed in the traditional "melhafa" costume in blue and rose, and cheered by their ullulating "you-you" cries, the men of the Sahraoui People's Liberation Army (ALPS) made a dashing impression. Several thousand of them, men and women together at times, paraded for 2 and a half hours' in impeccable uniforms and in ranks straight as a string.

A French Twist?

Abdelaziz pulled no punches as he assailed Spain and France in his speech. "Spain bears a heavy burden of responsibility in the war against the Sahraoui people," he charged. "We are astounded," he went on, "at the persistent support from the French government for Hassan II's war in the form of military, economic, and technical aid," because "that is a violation of international law and of the historical and geographical ties that bind our region with France, and that requires of France that it work to restore the peace in consonance with the principle of respect for the boundaries we inherited when colonization ended."

Despite its tone, the criticism of Paris sounds a bit more subtly shaded than it has been hitherto. Of course, Abdelaziz still feels that the French Socialists' position was clearer when they were in the opposition, because in those days they were preaching the Sahraoui peopl's right to self-determination and opposed the war. He did concede, though, that "in a recent book President Francois Mitterrand, baring what might be his deepest thoughts, made the point that the Sahraoui people must be free to exercize their full rights." [Note: he is referring to Mitterrand's recently published book, "Reflections on France's Foreign Policy"(Fayard)]

Mr Montaron, director of TEMOIGNAGE CHRETIEN and a longtime friend of Polisario, saw Mr Mitterrand briefly before leaving for Tindouf. He also met with the RASD president, and gave him a copy of the French president's book, calling his attention to that passage. Was Mr Montaron the bearer of yet another message? Will he be delivering one to Mr Mitterrand, whom he will see on his return home? Be that as it may, what he has done must have strengthened the Sahraoui's conviction that the future of the RASD must depend from now on on the West. Reportedly there was a meeting recently with some American government officials, and a Polisario-European Socialist working group is already in existence. It is to meet next Thursday to begin work on a draft resolution on the Western Sahara, which the socialist deputies are sure they can get approced in Strasbourg with the support of the communists and the ecologists.

6182
CSO: 4519/85

WESTERN SAHARA

SDAR AMBASSADOR ON WESTERN SAHARA CONFLICT

Maputo NOTICIAS in Portuguese 25 Feb 86 p 3

[Text] Yesterday in Maputo, the ambassador of the Saharan Democratic Arab Republic (SDAR), Ibrahim Moktar, declared that the only alternative to the major resolutions on the international levels aimed at a peaceful solution to the conflict in Western Sahara, by holding a democratic referendum, is the continuation of the armed struggle, with all its disastrous consequences for the Kingdom of Morocco.

"On the occasion of the celebrations marking the 10th anniversary of the proclamation of the SDAR, we issue an appeal to the king of Morocco to fulfill the desire of the international community: hold direct talks with the POLISARIO Front, in accordance with Resolution 104 of the Organization of African Unity (OAU)," stated Ibrahim Moktar, at a press conference on the occasion of that event, which will be celebrated on 27 February.

When asked by NOTICIAS about what the POLISARIO Front and the SDAR would do in the event that Morocco continues to postpone the holding of the referendum on Western Sahara, as stipulated in Resolution 104, the diplomat replied that the alternative is to heighten the armed struggle increasingly. He observed that the appeal for dialogue issued to Rabat represents the desire for peace which, if used to advantage by Morocco, would only preclude serious consequences for the country.

Giving an example to back his argument, Ibrahim Moktar noted that, at the present time, Morocco has a foreign debt of $15 million and, in the war effort in Western Sahara, it is spending $4 million every day, with a country in which two thirds of the population is living in the most absolute poverty.

During the course of the press conference, the diplomat mentioned the main events that have occurred during the 10 years of the SDAR's exsitence, contributing to the attainment of the Saharan people's right to national independence and sovereignty. He stressed that, in addition to the major achievements in the political-diplomatic, education, and health areas, the military factor is still the most important one throughout this period.

"Proclaimed on 27 February 1976, at a critical time when it found its existence in jeopardy," the SDAR led and witnessed, during the 10 years following its proclamation, consecutive defeats of the various Moroccan military strategies for occupying the territory; namely, the mobile regiments, the strategy for total occupation of the country, the coordination of the Moroccan-Mauritanian military effort, the French intervention in the war, and now the fortified walls.

Stressing that the Moroccan war effort in Western Sahara during the last 10 years has cost "the Kingdom of Morocco a very high price," merely to achieve ineffective control of a part of the territory, at a cost of 140,000 men entrenched in defensive walls, Ibrahim Moktar remarked: "The Saharan people are waging war to defend themselves and to liberate part of the country occupied as a result of Moroccan expansionism."

Reiterating the value of solidarity in the struggle that his people are engaged in, the diplomat said that the SDAR is now recognized by 63 countries, and is a full-fledged member of the OAU; and the Saharan cause has been properly assessed in the Movement of Nonaligned Nations and the United Nations, bringing about an increased isolation of Morocco.

He added that, during the last 10 years, the success has also had an effect in the areas of education and health, reflected in the elimination of illiteracy in the areas under POLISARIO control and in the implementation of preventive health programs.

Also commenting on the concrete situation of the war front and the areas occupied by the Moroccans, the diplomat disclosed that there are constant popular uprisings in favor of independence, and that, recently, desertions have occurred among the Moroccan ranks, whose soldiers are joining the POLISARIO Front.

He added that the Moroccan authorities are striving to put down the people's revolt against the occupation, banishing entire families to Morocco, and replacing them with families brought from Morocco and integrated into colonies in Western Sahara.

The diplomat expressed gratitude for our country's unconditional solidarity with the cause of the Saharan people, giving a reminder that the RPM was the sixth country to recognize the SDAR, on the 14th day of its existence, and that this solidarity has been kept firm.

Our country is represented at the celebrations of the 10th anniversary of the SDAR in the liberated zones by a delegation headed by Lt Gen Osvaldo Tazama, secretary of state for veterans.

2909
CSO: 3442/158

WESTERN SAHARA

10TH ANNIVERSARY CELEBRATION DETAILED

Paris LE MONDE in French 28 Feb 86 p 6

[Article by Jean de la Gueriviere: "The Bulldozer War"]

> [Text] On Thursday 27 February, the Polisario Front celebrates the 10th anniversary of the proclamation of the Saharan Democratic Arab Republic (RASD). A sizable contingent of guests has made the trek from Algiers to Tindouf for the festivities that will take place on the border between Algeria and the Western Sahara. A communique from Polisario released on Wednesday reports that the Sahraoui forces attacked the Moroccan defense wall on 22 and 23 February. Despite Polisario Harassment, the wall appears to be holding. The Moroccans recently extended it as far as Guelta Zemmour, and our special correspondent traveled there.

Agadir-- The thousands of European tourists who flock here to enjoy the balmy Moroccan winters each year are unaware as they leave the airport that they are walking very close to the operations center of a titanic undertaking: the Moroccan defense berm that steadily pushing toward the south of the Western Sahara, thus protecting it against incursions by the Polisario Front.

Standing before his wall-charts, Gen Bennani, commander-in-chief of the Southern Zone, is a soberman who speaks in measured tones, the antithesis of the petty officer putting on the airs of the big chief, tells us why, militarily, at the very least, the job is all but done. Of the 260,000 square kilometers that make up the "province" recaptured from Spain, 200,000 are "secured" behind a mass of rock and sand 2,300 kilometers long, following the contours of the land. The several sections of the berm are periodically shifted, along with men and equipment, to improve and extend the defense system.

A year ago, when the wall reached Amgala, on the border, Col Maaouya Taya, the Mauritanian head of state, assured us that there was still a narrow passage left through which the Polisario could pass without entering his territory (LE MONDE, 5 Mar 1985). While eschewing polemics, Gen Bennani emphatically denies this allegation. It was in response to Sahraoui infiltration in the immediate vicinity of Amgala that, between 15 May and 20 August 1985, the 120-kilometer barrier thrown up along the vertical portion of the Mauritanian border so as to force the enemy to make yet another and even more flagrant incursion into his neighbor's territory.

"You can see the vehicles passing through Bir-Moghreim [in Mauritania] with the naked eye," says General Bennani. "Every month, some 80 trucks and jeeps violate our border. We do not intervene, so as to avoid putting the Mauritanians into a delicate position; after all, they are doing the best they can, but they lack the means."

The General is a tactful man, but he could not be more explicit as to the problem posed by this involuntary passivity in Nouakchott.

He says there have been no contacts at the military level between Morocco and Mauritania to examine the situation.

Even though the "union" of Morocco and Libya consummated at Oujda in 1984 was to have been short-lived -- which has not yet proven true -- King Hassan's bluff won him the time he needed to advance. Between the Atlantic and the Mauritanian border, Moroccan bulldozers this summer pushed sand enough to make a new wall to within 100 or so kilometers south of Dakla, without encountering anything much by way of resistance.

Two Sahraoui pockets still remain, one to the east somewhat to the south of the Tindouf region, plus Tifarti, the only major water-supply still held by the Polisario; the other is in the south, in the old Rio-de-Oro.

"One of these days, we shall control the entire Tifarti basin," General Bennani told us flatly. To offset that, he rules out making all of Rio-de-Oro "secure." "There are places down there where all life is impossible; it is the ultimate, absolute desert, for instance, south of Guelta Zemmour." One might wonder, though, whether, in case there should be negotiations, that part of the Western Sahara -- roughly that portion that passed to Mauritania between 1975 and 1979 -- might not be proffered to the Polisario.

General Bennani assesses the Sahraoui troops active in the South at 500. "They have four dinghys they use to partol the coast and machinegun fishermen. A few observation jeeps stand well away. They are equipped with antiaircraft guns which the Polisario use to fire on small private aircraft that stray out of the international flight corridor [over the sea] in spite of the warning we give pilots about the dangers of flying in this zone."

The general is certain that the Polisario is not supplied by sea. "Four hundred jeeps are ample to handle transport between Tindouf and the Atlantic," he says. But, he adds, the heavy material does not get through. We know where the 90 tanks and 60 armored personnel carriers supplied to Polisario are: 45 kilometers southwest of Tindouf."

"There is still some harassment," he admits. From time to time, one of my men is wounded, sometimes one is killed. But these are shots fired at random and from a distance. Polisario is not stingey with weapons; I reckon that weapons cost the countries that supply them 2 billion centimes a month."

Revenge at Guelta-Zemmour

It is possible that in order to pad its record, come the celebration of the 10th anniversary of the Saharan Democratic Arab Republic, Polisario has stepped up its military action. According to a recent communique, it had temporarily invested three Moroccan positions in the Bir-Anzerane region on 22 January. These are units that clearly have the morale of conquerors, but are nevertheless alert and wary, whom we visited during a tour of the spots where the wall comes closest to the Algerian and Mauretanian borders: before Mabhes, at Amgala, and before Guelta Zemmour.

Hemmed in behind the wall since August, the Guelta Zemmour region had been evacuated by the Moroccan army in 1981 following violent combat. Its recovery is important, psychologically as well as strategically. The disgrace of 5 years ago has been wiped clean, which is important to troops made up entirely -- here at the wall -- of volunteers and career officers.

On the heights of this forced passage to Mauritania, the new masters of the place razed an ancient Spanish fort that was used as an observation-point. In its place, they built a bigger building, one better suited to the weapons and material of modern warfare. Helicopters perch on pads clinging to the side of a precipice at the tip of a narrow, rocky plateau. The wall is only a few kilometers away. Except in cases of urgent necessity, the men are careful not to venture too close to the base of the cliff in their costly aircraft, thereby exposing them to the constant risk of enemy fire.

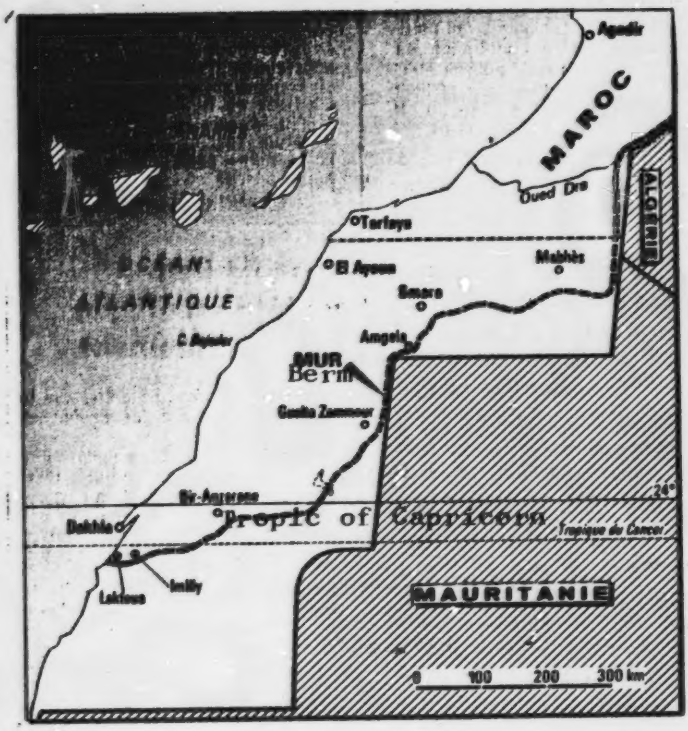
A disintegrated blacktop road, which, in the days of the Spaniards, linked Guelta Zemmour with Bir-Moghreim, takes us to one of the support positions built practically on the Mauritanian border. A small flock of tame ducks, brought in to relieve the monotony, strut between the soldiers' feet, incongruous in this landscape of stone and sand.

"We have just spotted two jeeps going by 10 kilometers away, inside Mauritania," announces an officer, who does not move; the "Stalin Organs" towed by enemy jeeps make a lot of noise and show a lot of light, but are not very good at precision firing.

In any case, the men have taken shelter, dug into their foxholes or safe in one of the mini-forts built at 5-kilometer intervals along the wall, so as to bring the enemy under crossfire with heavy machineguns should he manage to get through the barbed wire and minefields that lie before the wall. Should an attack prove truly serious, the artillery and tanks in hiding several kilometers to the rear would come into action. About 100,000 troops, half the Moroccan army, are kept on permanent alert around the wall and its rear bases.

A few families of traders have followed the army as far as Guelta Zemmour. A road running from Bou-Cra, the phosphate mine-site, to the ancient Spanish stronghold will be completed in June. The nomads are not waiting for the end of the construction work to head south with their camel herds.

"This freely taken decision by the people who know the terrain better than anybody else is worth all the victory communiques ever sent," vows one colonel.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ISRAEL

SHARON REVEALS SECRET TALKS WITH PERES

Tel Aviv YEDI'OT AHARONOT in Hebrew 18 Feb 86 "24 Hours" Supplement p 15

[Text] It is hard to believe that Ariq Sharon would, of his own free will, disclose one of the best kept political secrets, unless he had a very good reason to do so. Be that as it may, in an interview with Orli Azulay, on 14 February, he revealed that several days after the 1984 elections, before it was decided to establish a national unity government, he met Shim'on Peres secretly, "at night, in a home near Tel Aviv." In the course of the conversation, so says Sharon, he suggested to Peres the establishment of a national unity coalition, and also proposed the idea of rotation and that of the inner cabinet.

It can be assumed that Sharon did not disclose the story at this time by accident, but he did so because of what is being done to him and what is said about him in his own party. Suffice it to recall what Beni Begin said about him in a television interview, when he described him as a foreign element in Herut, as compared with the central figures of Shamir, Arens, and Levy, who are the vital organs of the party. What Sharon is trying to do is to drop hints, and not very subtle ones at that, that if not for him, there may not have been a national unity government, Likud would not have been in power, and Shamir would not be a prime minister when the rotation takes place.

It is not known how Herut reacted to the revelation. Among Alignment people, except for some key people who were in the know and who have known the story all along, there are those who were shocked.

And this is not even the whole story. Sharon did not reveal that the meeting was held in 'Azri'el 'Eynav's home in Savyon. He also did not reveal that a short time later there was a second meeting, also secret, between him and Peres. It was in that second meeting that it was agreed upon that he would serve as minister of commerce and industry in the yet to be established government.

He, not Gad Ya'aqobi, although the post had already been promised to Ya'aqobi, Shim'on Peres' old time friend. To date it has not been published what Ya'aqobi told the two emissaries that Peres sent to him in order to explain why he had to break his promise and give Sharon the job. There are those who say that there was also a secret letter that Ya'aqobi sent to his friend Peres. It can only be guessed what the letter said, except for the accusation that Peres gave all the important economic ministries to Likud. This is also the key question about what happened to the friendship between Peres and Ya'aqobi.

And even this is not the end of the story. Sharon also gave some ammunition to Peres' opponents, even within his own party. They have been claiming for a long time that Peres wanted to legitimize Sharon following the Lebanese War, even more than Likud leaders. It can only be surmised that Peres would respond that considering the election results he had no choice.

If politicians want, there is a real Pandora's box here which has not even been opened yet. It is only a question of timing. The only problem is that Sharon messed things up for them somewhat.

8646
CSO: 4423/91

ISRAEL

LARGE INCREASE IN HISTADRUT BUDGET PLANNED

Tel Aviv DAVAR in Hebrew 14 Feb 86 p 1

[Article by Hayim Be'ur: "The 1986 Histadrut Budget Will Increase by 60 Percent Because of the Planned Fight over Salaries"]

[Text] The 1986 Histadrut budget will increase by 60 percent over the previous year due to contests that the Histadrut is planning over salaries and unemployment.

Histadrut secretary Arthur Israelovitch reported to DAVAR that this year's budget will be 74 million new shekels as compared to 45.8 million new shekels in 1985. The Histadrut budget is based on the expectation that inflation in 1986 will be about 45 percent.

During the course of the present year the number of workers in the Histadrut Labor Committee and 72 workers' councils will be reduced by 5 percent. The reduction in manpower will not be achieved by firing workers but by freezing at current levels and not hiring new employees. Today about 2,460 people are employed at the Labor Committee center in Tel Aviv and in workers' councils throughout the country. In 1985, which was an election year, 41 new positions were added at the Histadrut.

Israelovitch revealed that food, lodging, and transportation expenses for senior Histadrut officials will be cut this year by 42 percent.

Most of the Histadrut budget, 62 percent, is intended for the organizational branch and the workers' councils; 17 percent for the culture and education branch as well as the youth and sports branch; 15 percent for the professional union branch and a few isolated percents for the other Histadrut branches such as social security, the consumer authority, the workers' corporation staff, etc. The Histadrut expects that the income from the comprehensive tax paid by its members this year will be 235 million new shekels as compared to 145 new shekels in 1985, an increase of 62 percent. This year 70 percent of the comprehensive tax monies will be directed to Kupat Holim needs [sick funds] as compared to 68 percent last year.

The Histadrut budget will be brought up for approval at the Sunday meeting of the coordinating committee in Shefayim.

9794
CSO: 4423/89

ISRAEL

PAPER REPORTS ON PRESENCE 'ANANDA MARG' SECT

Tel Aviv MA'ARIV in Hebrew 10 Feb 86 p 9

[Article by Arye Qizel: "The Ananda Marg Sect Espouses Violence"]

[Text] The "Ananda Marg" sect, whose leader, Stephanie Selfman, is staying illegally in Israel despite an expulsion order issued against her by the Interior Ministry, quietly organized a few years ago a "military demonstration" in Haifa. Dozens of the sect's members came to the demonstration in brown uniforms.

A secret official document obtained by MA'ARIV reveals that the sect's ideology teaches violence as a way of achieving the objective of "the elimination of every form of distortion through the assistance of action companies". A raid on one of the sect's centers abroad in 1975 turned up dozens of pistols, daggers, and human skulls.

In Israel the sect numbers dozens of members scattered in towns and kibbutzim. Its centers are in Jerusalem, Ramat Gan, and Haifa. The pamphlet "Supreme Pleasure," distributed by the sect, says: "Fight for your ideology, die for it." The sect's ritual calls upon its members to perform meditation with the aid of human skulls and dances in cemeteries.

The leader of the sect, Stephanie Selfman, now lives in an apartment shared with the daughter of a well-know Haifa businessman. The daughter, who is mentally disturbed and had been hospitalized in a mental insitution, joined the sect after a 5 and 1/2 month trip abroad with Selfman, during the coursse of which they showed up in Moscow and India. Recently a girl from a moshav in the south of Israel has joined them in the apartment and is a candidate for a similar trip.

9794
CSO: 4423/89

ISRAEL

BETHLEHEM MAYOR ILYAS FRAYJ PROFILED

Tel Aviv MA'ARIV in Hebrew 14 Feb 86 (Weekend Supplement) pp 10-13

[Article by Amos Gilbo'a: "The Star of Bethlehem: Teddy Kollek in Miniature"]

[Text] On Christmas eve 1985 Ilyas Frayj held his traditional cocktail party in a hotel not far from the grave of Rachel the Matriarch. The guest list was a political cocktail of Jewish and Arab, Muslim and Christian notables. Prime Minister Shim'on Peres and other ministers rubbed elbows with U.S. Ambassador Thomas Pickering and with consuls and church leaders from Jerusalem who do not recognize the city as Israel's capital; military authorities in IDF uniform snacked alongside Hana Sinyurah, the editor of the pro-PLO AL-FAJR. The common denominator that evening was around the huge, appetizing refreshment table, with a small snack bar under an attached "Kosher Food" sign.

The host felt himself in seventh heaven, and not only to justify the name of the restaurant in which the party was being held--"Paradise." Ilyas Frayj hovered among his guests like an angel, with a glass of Scotch--his favorite drink--in his hand, continually mixing the ice cubes with the finger of his left hand. When he got up at the speaker's lectern to make a speech, he seemed full of his own self-importance, in his own eyes and those of his guests, despite his appearance, which, at first glance, is unimpressive: he is short, a real dwarf, roundish, a small moustache, slightly balding, always smartly dressed, his speech slow and measured, his voice thin and a little hoarse.

He does not need a written speech. The words about peace and everyone's right to live quietly in the Holy Land pour from his mouth in Arabic and English like a sweet, finely orchestrated melody. The applause almost makes you believe them. Frayj, the soloist of the evening, is very happy and excited. He mumbles to himself: "Millions upon millions of people around the world are watching me now, the eldest son of a poor laborer--who began with nothing, and with his own two hands and thanks to his work, his intelligence, his cleverness and his perseverance made it to this moment, this historic moment." He would repeat the words "historic moment" when talking later about the telephone calls he received from all over the world, "even from Trinidad, yes, even from there." What was he thinking about at that moment? "I thought that this cocktail symbolized the fact that we, the Arabs, the Palestinians, and the Israelis, can live together in peace and I have succeeded in doing that."

Thus in that scene at the Paradise restaurant we learned a bit about the positions and character of the mayor of Bethlehem, the longest-tenured of the mayors of Judaea and Samaria, now 14 years at the job--the personality who, for many, symbolizes Palestinian moderation, the Jordanian option, the possibility of coexistence, the integration of Christian and Palestinian, whose office overlooks the birthplace of Jesus, a real man of the world. "What Palestinian Arab leader can manage to gather together under one roof such an assemblage of contrasts from Peres to Pickering to Sinyurah," some might say. "What has become of all the other leaders of the territories; where are Bassam Shak'a, Karim Khalaf, Fahd Qawasimah? They have departed the stage and only Ilyas Frayj is left," according to others. There are those who see in him the "father of Bethlehem" or the "Teddy Kollek of Bethlehem." And there are those who call him "a little agent" or "the commander of Israel's fifth column against the Palestinians." He has a lot of opponents and enemies, in the city itself, in the territories and in the PLO. "He sold his soul to the Israeli conquerer," they will say. "How could he raise a toast with Peres and shake the hand of the ruler of the city, both of whom are responsible for shutting down houses and sealing up stores?" The cynics will certainly say that he really is loyal to his city. Like tortured Jesus, Ilyas also knows how to walk on water and between the raindrops of Israel, the Palestinians, the PLO, Jordan, and the United States--and still hand out bread to his flock!

Deep down, Ilyas is a businessman, in his thinking, his deeds and his life--and also a man of action and administration. His father, Mitri bin Hamulah Anatra, was the owner of a small, run-down shop for religious articles made of wood and covered with shell, an Orthodox Christian who bore only two sons. Ilyas is the elder. He was born in 1920, at the beginning of the British mandate period in Israel, and was accepted at the English college on Mt Scopus, thanks to his aunt Firussi, the cook there. But the poor family could not afford the boarding school tuition. Thin little Ilyas made the round trip from Bethlehem every day by bus--2 grush for a 2-hour trip. It was a worthy investment. He learned English to perfection, which has stood him in good stead for over 30 years, and got a job in the public works division. Even today, 40 years later, Frayj speaks nostalgically of his boss in those days, Yitzhaq Melamed.

In 1948 he was sent to Cyprus with a staff of officials to close the mandate's financial affairs. The British suggested that he move to their administration in Kenya, but he preferred to return to Bethlehem. Equipped with administrative and financial experience, he joined his father's business to try to put it on a sound footing. Those were the days of the new Jordanian administration. It would have been hard to make progress but for Ilyas's thin elbows. The shop began to export religious articles, and its young owner was elected to the local chamber of commerce. On 4 June 1967, when King Husayn returned from his conciliation talks with Nasir, he received a call from a friend in England. "War is about to break out at any moment. Come to my place in Sheffield until all this blows over," he urged Frayj. "I am not leaving my city," he answered. "My forefathers established themselves in the city and I am staying."

Three days later the Israelis came and the workers fled. Those who did not flee went to work for the Jews. The shop was empty except for two people--Ilyas and a foolish grown-up servant who kept getting resounding slaps on the cheek from the frustrated shop owner. But his perseverance, intelligence, and outstanding ability to take advantage of opportunities and adapt to continuously changing situations worked in his favor. Israel brought Jerusalem to Bethlehem--the development and the tourism (hundreds of thousands as opposed to 40,000 a year at the time of the mandate.) The city was inundated. Frayj, along with other notables, was quick to urge that Bethlehem be annexed to Jerusalem.

He began to import shells from Singapore and got an official Israeli exporter's license. The shop flourished and then a gold mine fell into his hands, one which every merchant in Bethlehem coveted--a tourist souvenir shop in the plaza opposite the Church of the Nativity. "Sanctuary"--a word with rich, magical connotations in the city, a dollar extractor. His future was assured. Exports grew and in 1970, when he was 50, he was elected head of the Chamber of Commerce for Bethlehem and its satellites, Bet Jala and Bet Sahur, an incomparable position of strength in a consumer town like Bethlehem. He purchased land for a song, knowing that a construction boom would cause prices to skyrocket in the future.

In 1978, 6 years after he was elected mayor, with his sons running the business, he left for an official visit to the United States. Over a glass of whiskey in a luxurious hotel bar somewhere in the midwest, Frayj met some American who became his drinking partner. Frayj told him that he came from the Holy Land, from the city where Jesus was born, and wanted to sell religious articles of olive wood. The man did not believe it. For him the Holy Land and Jesus were concepts from the world of legend. Frayj jumped at the opportunity, went up to his room, and returned with a full suitcase. The American was convinced and bought it on the spot with a check. The next morning the bank informed him that there was nothing "to cover" the check. The merchant and man of action reacted quickly. The police located the swindler in a lightning operation. With Frayj there is no such thing as nothing. There is no merchandise without payment. His philosopy is "I respect him who respects me."

The Jewish settlements in the territories do not flatter his honor as a Palestinian and as a merchant, and he therefore misses no opportunity to say that they are the source of every evil and bitterness. When he floats some moderate slogan about the future of the territories, everyone who knows him understands perfectly that it is not the intellectual ideologue speaking, but the merchant who knows exactly what "a dunam here, a dunam there" means. Mostly it will be some variation of the merchant's slogan, "Better save what can be saved."

His opponents in the town, both merchants and leftists, complain that money and profit are the fuel that drive him as mayor. "Why are there no parks, playgrounds or sports fields," they ask accusingly and immediately answer, "Because they do not make money, and Frayj will only develop money makers." They are both right and wrong. Frayj himself, when asked where he will go when he retires as mayor, answers: "I will go back to my business, which, thank God, is flourishing." But no one understands more than he his enormous power as mayor of the city of the Church of the Nativity. He loves the authority and loves his city.

Frayj and Bethlehem are almost like Teddy Kollek and Jerusalem. He was the one who put it on the world map alongside his name. While all the mayors in Judaea and Samaria used their position to advance the national struggle against "the Israeli conquest," Ilyas developed his city and made it the most prosperous of the cities in the territories. Since 1972 he has been elected mayor of the town twice. Schools, hospitals, workplaces, highways, and other structures sprout up in Bethlehem like mushrooms after the rain. The mayors of Hebron, Shekhem, Janin and Ramallah foster violence in their towns. He makes sure to keep it far away and treats Bethlehem the way he does his own clothes, always keeping them clean and neat, so as not to lose its attraction for foreign investors, charitable organizations, and religious institutions. That supplies employment and, of course, infuses currency. He is constructing a new municipal building opposite the Church of the Nativity and just a short hop from his "Sanctuary." Thus he ties together religion, money, and power.

The municipal building is luxurious and polished. Behind his shiny office is a spacious guest room with an orange sofa its entire length. The world's greats here drank the delicious tea that his personal secretary Dina prepares. "Jimmy Carter sat on that sofa when he was president of the United States," he says with pride. His self-importance, his insistence on the respect due him, and his need for those small perquisites of authority find their perfect expression here. Abu-Jalal, a tall servant, is always properly placed to give him his hat or help him with his coat. Salim, his husky driver, also stands at the ready alongside the Mercedes. Frayj and his personal secretary Jamal Salman, his right hamd man and confidant, are an inseparable pair. They are all, of course, family or clan members, who can be trusted.

Ilyas Frayj is a diligent man. He is already in the office by 8:00 am, after having read the daily newspapers at home (The JERUSALEM POST and AL-QUDS), and having listened to the news on the radio from Jerusalem (in English) and from Jordan (in Arabic). After a cup of coffee and a look at articles from the morning papers marked in yellow, he goes on to the main business of the day: receiving the public. Dozens throng to his door, the rich and the poor from all over Judaea, Samaria, and Gaza, carrying petitions, requests, and complaints. He is proud of that villager from the neighborhood of Shekhem whose son is a student in the USSR and wants to marry a Russian girl. The Russians asked for certification that he was a bachelor. The father turned to Frayj. "Why to me in particular? Because all over the world they know who Ilyas Frayj is, just as everyone knows that I met with Shim'on Peres, and they think that I am all-powerful. So I gave him the certificate with my signature."

Frayj signs everything. Nothing leaves the halls of the municipal building--large or small--without his signature. He is unbelievably concentrated. "The city engineer, the judicial advisor, they all just submit recommendations to me. I authorize and sign." He makes decisions by himself without consulting the town council. He will report retroactively, as if doing a favor. That annoys a lot of people, particularly the members of the town council who, like him, were elected in 1976. There are 10 of them but they are of no consequence under Frayj.

What is the object of their anger and their slings of criticism? One of the secrets of his strength and support--the collection of funds for projects in his city. In that, his neighbor and colleague Teddy Kollek is a good teacher, but the pupil is already beginning to surpass his master. No one is more expert than Ilyas in scraping up money from every possible source. No one knows exactly how much money he has collected--from Israel, from the Americans, from the Europeans, from the Australians, from every possible charitable and assistance organization. Lately he has even managed to extract $2 million from the Saudis, the guardians of Islam's holy places, to build a school in the city of Jesus. "That is no great trick on the part of Frayj," they say in the council and in the city. "Anyone who is mayor of a town like Bethlehem could muster a lot of money." That would be true if the monies had begun flowing before he was elected. What Frayj did besides, with his moderation, his intelligence, and his public relations, was to make the world media his own and to turn the marshalling of funds into an art.

The council members are also annoyed that he does not report to them, merely throws then crumbs of information here and there. They make his life miserable in the council by constantly questioning, leaking information, torpedoing projects, making wisecracks, and inciting trouble. Chief among them was a certain communist named George Hizbun. Frayj despised him, but did not dare conspire against him because of his ties to the PLO. He only waited for him patiently in a corner. After the war in Lebanon, when the PLO's prestige declined and the organization split, Frayj sensed, with his very developed sense of smell, that the time was ripe for revenge. He "revealed" to the council that Hizbun had missed three sessions, and according to Jordanian law he had to be dismissed. Now his next biggest enemy in the council is his deputy, Hanna Nasir, a Greek Catholic, and there is nothing worse than that for any mayor, not just in Bethlehem. Frayj is in a trap. He is afraid to go abroad, lest Hanna take decisions against him in his absence. In that council everything is fluid and works on the basis of "watch out for me and I will watch out for you." All loyalty is limited.

But his troubles do not end there. Onced Bethlehem was a Christian city with 13 churches and 1 mosque. Today there are 5 mosques, and they say that roughly half the population, about 25,000, is Muslim. Frayj is caught in between. As a man of compromise and conciliation, he tries to please everyone, but that is hard to do. He has another sore spot: the refugee camp of Duhayshah is within the town's jurisdiction. It is a hornets' nest of George Habash's people and the Muslim Brotherhood. One day last winter hundreds of them invaded the town, waved green flags, brandished swords, and roared, "Allah is great." Ilyas trembled in his office. The matter of the new market, the mayor's "white elephant," is an old story. Frayj, of course, thinks big. He set up a magnificent new market outside the city. It was an excellent idea, but the rents are high. The merchants in the old market, most of them Muslim, did not want to move. There were demonstrations and fines, but the market, in which almost $2 million had been invested, was virtually empty.

Frayj finds praise and comfort in the pleasures of the larger world, in press coverage but mainly in his small family circle. He is a family man. He calls his 3-story house on the road to Hebron a "kibbutz." His wife Victoria, the daughter of a distant aunt from the Frayj family, bore him 3 sons and 3 daughters. Two of his sons live on the "kibbutz" with their 7 children. Frayj, dressed in a brown abayya with pajamas underneath, loves nothing better than to play with his grandchildren. All around are lots of crucifixes and carpets. And no one can prepare food like Victoria. Who has not tasted it: the former chancellors of West Germany, ministers in the Israeli government, foreign ministers, senators, etc. Frayj asserts that he is not on a diet, but he tries to get just a taste of everything. Sometimes he is unsuccessful. Once he used to honor his guests with cigarettes and cigars. Not any more. He himself used to smoke cigarettes, but from the moment he was elected mayor he decided that it was no longer proper and stopped.

Frayj is at home in all the corridors of the western world. His schedule is full of official invitations. He gets the red carpet treatment everywhere: He is a Christian, and, in particular, the mayor of Bethlehem; he is a Palestinian and moderate in his political views. He outfitted himself with diplomatic pomp and circumstance. His speech is smooth and polished. His appearances around the world cause Israel no little damage. He knows how and when to rant about "the cruel Israeli conquest," to mourn "the oppressed Palestinians" and to wrap it all in sweetness and moderation and opposition to any form of violence.

Many liberal ears in the United States and the West love to hear this sort of thing, and Frayj knows how to do it with delicacy and the proper intonation. He and the media have a mutual love affair going. The Israeli press, like that abroad, has put him on a pedestal and blown him out of all proportion. Frayj, who does not know how to repay a compliment, is always ready and willing to be on the media "firing line" and does not hesitate to be photographed with anyone. He exploits this romance with elegance, even as a threat. "We will go to the press," he once hinted to the military authorities, to foil a decision that he did not like. But, like every politician, he is unbelievably sensitive to what is written about him and his city. His public image is very dear to him.

He is a master of personal contacts. One of his most valuable possessions is his book of phone numbers. He is a political creature who will always try to please everyone, to befriend everyone and annoy no one. His ties are particularly close with the Americans (Shultz is his friend and he has already dined privately with Pickering), with American Jewry, with the Israelis, and with Jordan. The well-attuned Frayj has gotten to know us very well. "I feel right at home with Israeli politics," he says. "That is my profession." His antennae are sensitive to the appointments cooked up in the "Israeli kitchen," and his tongue know exactly what to say to whom and how to play on internal tensions. He knows how important it is to us to maintain close ties with him, and how far we will go in giving him prestige and backing. He is used to picking up the telephone to ministers in the Labor party without problems. His ties with the Israeli peace camp are long-standing and strong. He speaks appreciatively of Dayan and Alon. Teddy Kollek is an old friend. When he visited the United States in 1984, he told the Israeli reporters: "I hope that the Labor coalition and Ezer Weizmann's list win the election and establish a government that will strive for peace with the Palestinians without annexation." He also met twice with Begin and with Moshe Arens when the latter was minister of defense, but his contacts with Likud people are negligible.

He is an avowed pro-Jordanian, and Amman is a regular stopover in his travels. His ties with King Husayn and the Jordanian leadership are good. Their door is open to him. When speaking to Israelis he likes to say, as if confiding some secret: "I saw the King and he told me that..." Nevertheless the real situation seems to be a little different. Frayj is not Jordan's number 1 man in the territories. The Jordanians do not entirely trust him. His ties to the Israelis and Americans are too good. In their view he talks too much and takes part in things that they do not approve of. (Recently a peace process simulation game was held in Jerusalem. He represented Jordan, and in Jordan they wanted to know: "Who asked you?")

His relations with the PLO are somewhat reminiscent of King Husayn's relations with that terrorist organization: they meet, they separate, they bless and curse each other, and in the end they are hostile. All of his staying power, his craftiness, his political savvy are needed to control the ups and downs of his ties to that organization. In 1976 he was the only pro-Jordanian, non-PLO member elected as town mayor, and it started a black period in his life. He suffered one blow after another. His quiet town turned into a maelstrom. PLO loyalists controlled the streets. Then Sadat arrived. Frayj thought that Husayn would join his initiative. He therefore met with him [Sadat] in the King David hotel and came out for the autonomy plan. But Husayn did not join. The PLO declared war on the Camp David agreements and on "all traitors and fellow-travelers of the Jordanian government." Frayj was also on the black list. The "Committee for National Determination" in the territories held a protest meeting at Universite des Freres, overlooking the Church of the Nativity. All the militant mayors were at the lectern. Frayj went up, too. The cameras followed him. He extended his hand to Karim Khalaf and Bassam Shak'a, and they rebuffed him. What shame, what disgrace! They "killed" him with all the people looking on. Habash's Front newspaper published front page pictures of traitors that had been and would be killed. Frayj was among them. He understood that in order to stay alive he had to change his pro-Jordanian image. He therefore ran as fast as he could to 'Arafat to seek his protection. He got it, but at a price. He covered himself with a thick PLO flak jacket and began to sing their tune. The area commander, Brig General (Fu'ad) Ben-Eli'ezer considered removing him. (Today he says: "He has to be judged against the background of the forces acting upon him--the PLO, Jordan, the street, and Israel. Looking back, he acted correctly in view of the mortal danger he was in.") But luck was with him. First the mililtant mayors were removed, and the pressure on him lessened. Then the war in Lebanon began with the rapprochement between 'Arafat and Husayn. Frayj again rose in stature, this time with 'Arafat's blessing. His pro-Jordanian pronouncements increased, but the dose was limited. He knows how far he can go.

He wanted to be included in the Jordanian-Palestinian delegation for peace talks. It was a bitter disappointment for him that lesser people were chosen, people whom the PLO could control. But not him. He is too big for the PLO, a thorn in their side and also not reliable. He does his acrobatics on too many tightropes. Inconsolable, he disconnected the telephone at home and in the office and refused to be comforted. Shim'on Peres and others had to encourage him. He got over it through his tenacity and adaptability, but the scar remains. The murder of Aziz Shahadah in Ramallah really shook him. His rest has been troubled ever since. Does a similar fate await him? The Christmas cocktail party lifted his spirits, but worry continues to gnaw at him.

Meanwhile he is his city's leader and will remain so as long as the IDF is in charge. What would happen without the IDF if PLO supporters were to take control? He was once overheard to say: "I will go to Teddy Kollek's office and live there." Frayj has no divisions and no troops. He is a Christian and his family is not reckoned among the nobility in the territories, who are Muslim. He is likely to be reelected in the upcoming municipal elecctions, but he is likely to face a Muslim council. Therefore he will not be able to represent the Palestinians in negotiations with Israel. He may be a member of the group, but not the chief among them.

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ISRAEL

ESTABLISHMENT OF COPTIC COLLEGE CONTESTED

Tel Aviv HA'ARETZ in Hebrew 14 Feb 86 p 1

[Article by Akiva Alder: "Interior Minister Refuses To Sign Off on Program to Establish Coptic College in Bet Hanina"]

[Text] Interior Minister Yitzhaq Peretz is refusing to sign off on the program to establish a Coptic College in Bet Hanina, a project that Egypt is demanding as part of the normalization discussions with Israel.

A senior government source told HA'ARETZ yesterday that even though the Ministry of Defense had removed its opposition to the establishment of the college and all of the planning committees had given their approval, Minister Peretz was still holding on to the douments. Despite the appeals of the Foreign Ministry to the Ministry of the Interior to speed up the permit process, Minister Peretz is afraid, according to that same senior source, that it is a Christian institution like the Mormon center in Jerusalem.

Before leaving for the general directors' talks in Israel, the head of the Egyptian delegation, Dr Nabil al-'Arabi, met with the Egyptian foreign minister, Ismat 'Abd-al-Majid, and at the end of the session said that when Israel raises demands in the area of improved relations, Egypt will demand the authorization of the college and a solution to the dispute over the Dayr al-Sultan church in Jerusalem. It should be noted that the ministerial committee on the Coptic-Ethiopian dispute, established in 1968, has not met now for several months. Minister of Religion Dr Yosef Burg, who heads the committee, appointed retired judge David Bakhor to deal with the issue, but thus far the committee has not dealt with practical solutions. In internal discussions the idea was surfaced to transfer the issue to the heads of the three large churches in Jerusalem, but government circles objected. It has been learned that in Jerusalem there is concern that a change in the situation at Dayr al-Sultan, at the expense of the Ethiopian church, which holds the keys to the building, might affect Israeli interests in Ethiopia. Nevertheless, other circles claim that Israel's interest in improving relations with Egypt takes precedence over its peripheral interests in Ethiopia.

These two topics have already been discussed in an Israeli-Egyptian working group that is dealing with the normalization issue in Herzliya, despite the cabinet decision that normalization would go hand in hand with the signing of the arbitration document. On the matter of the border dispute, the Egyptians announced that they will immediately open contacts for improving trade and tourist ties between the two countries. The director general of the prime minister's office, Avraham Tamir, said yesterday that in his opinion the working group for the arbitration document would be able to complete its work within a few weeks. He noted that there is a possibility that the cabinet will have to decide several questions on the matter. U.S. representatives at the talks yesterday made several suggestions for drafting the arbitration document, and the two sides will have to decide whether to accept them.

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ISRAEL

EDUCATION MINISTER, BROADCASTING COMMITTEE VIEW SHUTDOWN OF TV

Tel Aviv HA'ARETZ in Hebrew 14 Feb 86 p 2

[Article by Lili Galili: "On Sunday, Navon, Zamir, and the Broadcasting Authority Executive Committee Will Discuss Shut-Down of TV"]

[Text] Minister of Education Yitzhaq Navon and the government's legal adviser, Professor Yitzhaq Zamir, will meet on Sunday with members of the Broadcasting Authority's Executive Committee to discuss legal and other aspects of closing down television broadcasting, or alternative steps resulting from the situation.

Yesterday the chairman of the Executive Committee and the general director met with Professor Zamir, who, in principle, favors shutting TV down but stressed to them the legal difficulties stemming from the situation. The Broadcasting Authority Law, as it stands, includes no stipulations for such a course of action. If TV should be shut down anyway, it would mean the firing of all the workers and the payment of compensation. The cessation of salary payments without firing would involve a protective lockout, but would have to be aimed at a particular problem and terminate with the solution of that problem. In the talks that the members of the Executive Committee held yesterday, there were signs of a willingness to move toward a shut-down of TV, even if it would not be done immediately. In a protracted meeting held yesterday by representatives of the committee of TV technicians with the chairman of the Executive Committee, Mikha Yanon, they tried to convince him that the many problems in the transmission of "Mabat" resulted from all kinds of difficulties that they had not yet been able to locate, and not from deliberate sabotage. They also claimed that it would be a professional affront to them if TV were indeed to be shut down because of technical difficulties. Yanon made it clear to them that they were now in a trap: If the difficulties continue, TV will be shut down in any case; if it should cease at this stage, no one would believe that the problems were not intentional. Transmission yesterday proceeded normally.

Today Navon is to meet with representatives of the technicians committee and a representative of the Histadrut technicians, Zalman Shenker. Navon will state his opposition in principle to closing down TV broadcasting. On the other hand, members of the Broadcasting Authority's management and others who had earlier opposed that course of action now say that there is no other solution. Yanon told HA'ARETZ that even if TV broadcasting were not to be shut down immediately, a dynamic has been created that might lead to its closing at a later date.

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ISRAEL

AGRICULTURAL SECTOR FACES SERIOUS DEBT PROBLEM

Tel Aviv YEDI'OT AHARONOT in Hebrew 18 Feb 86 Financial Supplement p 10

[Text] Secretaries of the Moshav Movement Gedalya Gal and Yohanan Dani'el are hard at work these days on an overall recovery plan. Their plan was to be presented for approval within a week. It was expected that implementation would start right away. There just is no choice. Rural settlements have reached the point of no return. Additional governnment funds cannot help and demonstrations are no longer effective.

Rural settlements now have a total debt burden of $250 million. This is a short term debt, which has to be repaid to banks, suppliers, and other lenders within 1 year. In addition there is an additional $150 million in long term debts.

True, kibbutzim, too, have difficulties. They, too, have debts amounting to hundereds of millions of dollars. But they can recover and be back on their feet thanks to organized marketing and mutual help. The serious problem is in rural settlements, where every farmer is on his own.

The main problem of the agricultural sector lies in the fact that there is an over abundance of production. For years farmers have succeeded in developing modern agriculture, among the most advanced in the world. Crops per unit of area have gone up sharply in recent years.

At the same time the government decided to reduce subsidies to agriculture, which in turn reduced consumption, because of steep prices hikes. In addition to these two factors (over which farmers have no control), many settlements took advantage of cheap and convenient credit for useless investments. These investments, part of which were for personal consumption, are a heavy burden to many settlements. What is happening to agriculture today can only be defined as the curse of over abundance. At this point there is no choice but to reduce production.

Efforts to increase agricultural exports are not practical, either. Spain, recently accepted into the European Economic Community, enjoys special treatment. As a result it now is a formidable competitor and it is doubtful whether agricultural exports to Europe can increase much in the next few years. Efforts to penetrate American and Far Eastern markets are just beginning. It is questionable whether these markets can absorb the over production.

An overall recovery plan has been forumlated by the Agriculture Ministry. The basic priniciple behind the plan is adjusting supply to actual demand of the population. Accordingly, it will be necessary to liquidate 5,000 farms and transfer their production capacity to farmers who employ advanced production systems. The main problem is, what will happen to those farmers who will lose their livelihood. At this point no practical solutions to the problem have surfaced.

Attempts by the Moshav Movement to establish industry in their settlements is not yet bearing fruit. It is a most difficult and complex process. After 3 years of attempts by TELEM (Industry for Rural Settlements) it is difficult to point to many success stories. They are not geared for such a drastic change, which has, by the way, been successful in kibbutzim.

Because of the seriousness of the situation, there has been a breaking away from organized frameworks. Many farmers now prefer to sell their produce for cash. This way they hurt, first and foremost, those farmers who continue with planned and organized marketing. The Moshav Movement is aware of it but can do nothing about it. Farmers go on ignoring them and continue to receive low prices. Others prefer (in violation of the Settlement Act) to lease their land to merchants, many from outside the Green Line. Activities like this thwart any attempt at rehabilitation. Planners will therefore have to address the problem of violation of the law by some farmers.

According to estimates, 30 percent of all produce on the market gets there illegally. This high percentage causes pressure on the market and has sharply reduced prices. Very often there is a surplus and the farmers who continue to market within the organized framework are the ones who suffer.

The Agriculture Ministry is aware of this. They know that further funding will not help. Without an overall recovery plan agriculture's ills, especially those of rural settlements, are like a bottomless pit.

Conditions for financial aid are therefore stiffer this time around. There are even those who are afraid to borrow. Every farmer who gets a loan makes a commitment to market his product through the settlement's association. Thus income can be monitored, and repayment of the loans can be ensured. Every settlement which receives a loan will be under constant observation by experts from the outside. These inspectors will also monitor the process of decision making in the settlement.

The heavy financial burden that the settlements are facing forces them to overhaul their whole operation. The Moshav Movement is sure that this time the operation will be successful. "There simply is no choice," says Gedalya Gal, who is working hard to save the movement.

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ECONOMY SAID NOT READY FOR GROWTH

Tel Aviv YEDI'OT AHARONOT in Hebrew 18 Feb 86 Financial Supplement p 3

[Text] There is a big debate going on these days regarding renewed growth of the economy. While Finance Minister Yitzhaq Moda'i insists that the time has not come and that the economy has to be revitilized before investments can resume, Planning and Economy Minister Gad Ya'aqobi demands resuming them immediately. The debate, which is economic in nature, has spilled over to parties and politics. Alignment ministers maintain that the finance minister is waiting for the rotation, in order to implement a policy of investment and growth. Moda'i rejects these claims altogether. According to him the low inflation figures are not yet convincing. The economy needs a thorough overhaul before the second part of the economic plan can be tackled.

With this debate in mind, it seems that industrialists should have something to say. In a letter they recently sent to Prime Minister Peres they analyzed the situation. According to them the economy is not yet ready for growth and steps should be taken immediately to reorganize the industrial base and gear it toward the implementation of a reinvestment policy.

"In our opinion, not only have recent accomplishments not created a basis for renewed growth, but what accompanied them threatens the achievements in the area of the balance of payments and inflation," says the letter, in part.

The economic plan has so far achieved substantial results: inflation has been halted, there is an improvement in the balance of payments, the government deficit has been reduced, and the public now trusts the sheqel anew. But all these accomplishments are being threatened.

According to the letter the economic plan has brought about reduced savings, a freeze in industrial exports, an only temporary reduction in imports, an unprecedented erosion of industrial profitability, a relative reduction in return on investments, especially industrial investments, and a heavier tax burden, especially on businesses. All these areas have to be improved before the growth phase is started. There is another potential threat, which may materialize any minute, the end to the administrative price freeze. As long as the policy of a price freeze is in effect, inflation is low. But what will happen when the freeze is removed?

"Growth means a growing pie. Higher production, not higher budgets. Actually, a necessary condition for economic growth is lower public budgets. The more the public budget is reduced, the more growth can be effected," continues the letter.

Declarations alone will not suffice to prepare the economy for a change in policy. The economy is now on a very shaky basis. Any change may cause negative results. Therefore the measures that need to be taken have to be slow. Only when those measures have taken their full effect can growth resume.

Trends in industrial growth in 1984-85 (figure 1) clearly show a retreat. If the trend continues it seems that industrial exports, which depend on long range orders, will continue to decline. It should be pointed out that export data are based on orders made a whole year in advance and that is why plans for encouraging exports next year have to be made right now.

Renewed growth depends on reduced public expenditures and channeling resources to business. Private capital should also be turned to industry rather than to private consumption. Figure 2 shows private savings (bottom line) going down steeply, discretionary income (middle line) also on the decline, while public expenditures (top line) show hardly any change.

Another factor, which at this point prevents renewed growth, is the heavy tax burden. It holds back productive investments (figure 3). Taxes in the past year constituted 50 percent of the GNP, and the trend for this year is upward. It should be pointed out that in the last 20 years there has been a 70 percent decline in economic growth. In the past Israel enjoyed an annual growth rate of 9 percent. Last year the figure was only 2.6 percent.

The most serious factor, which mandates reshuffling of the whole economy, lies in the fact that labor costs have gone up above production (figure 4). It turns out that in recent years there has been a marked increase in the price per unit of production, with no corresponding increase in productivity. This is why the return on capital has also declined. "The interest rate is the only variable which is in the way of growth and which can be changed, even if it is not possible to bring it in line with what is deemed acceptable in the rest of the world," the letter says.

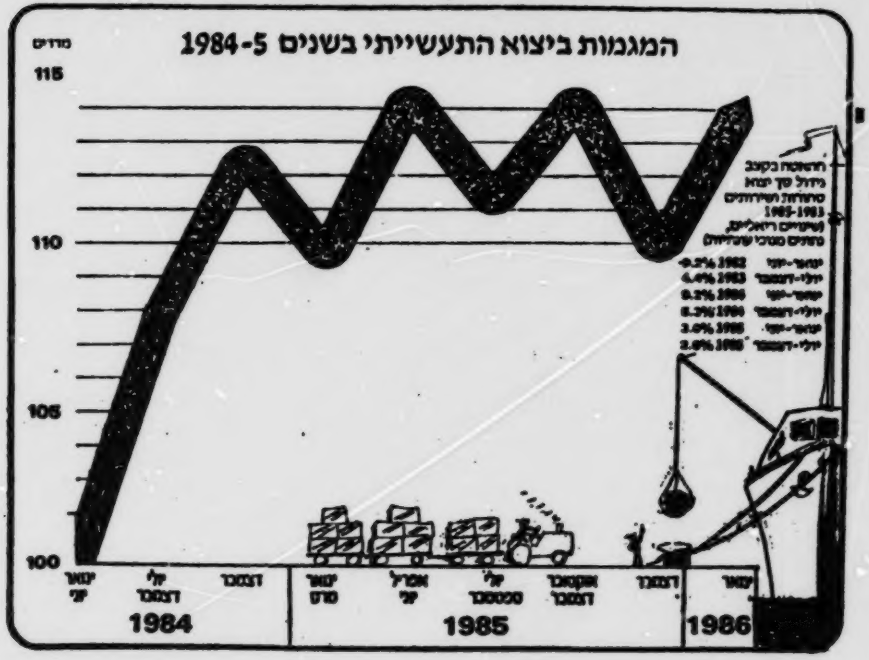
"Interest rates have been played with too generously since the economic plan was put into effect." This was done with the idea of curtailing demand with an interest rate which is lower than inflation. It now turns out that this policy was overused and thus hurt the production sector. Reducing interest rates can, of course, help renewed growth, but as long as all those other obstacles are still in the way, it is doubtful that lower interest rates alone can effect renewed growth, even if this step is needed only to maintain what has already been accomplished. It should also be remembered that what is needed is renwed growth for exports. In this area interest has less impact and industrial profitability is more important. But it is precisely profitability which has been going down in recent months, according to industrialists.

How , then, can economic growth be effected, such that increased industrial exports will follow? Industrialists have a solution: "Reduced public expenditures will necessitate fewer taxes and will generate greater amounts of discretionary income. This in turn will increase savings and channeling of resources to industry. Increased investments will cause higher productivity, higher return on investments, and higher real income. The higher income will, in turn, promote productivity, causing higher income, higher savings, and even higher investments.

The basic condition for this scenario is reduced public expenditures. There is a danger of unemployment. But it is expected to be only temporary. Therefore there is no need to fear this kind of a move. Any other alternative is more dangerous. Industry's conditions for renewed growth: proper profitability, capital at reasonable prices, low tax rates, a minimal degree of certainty.

As long as these conditions are not met, it is doubtful whether a policy of growth can be pursued.

Trends in Industrial Exports, 1984-85



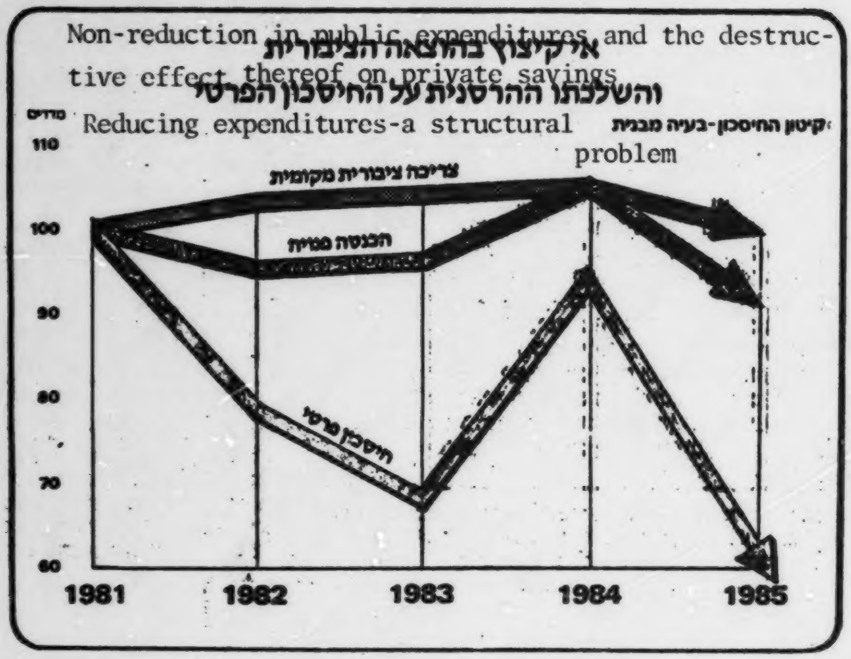
Jan-Jun Jul-Dec Dec Jan-Mar Apr-Jun Jul-Sep Oct-Dec Dec Jan

Slowdown in the rate of growth of exports of goods and services 1983-85 (seasonally adjusted)

Jan - Jun 0.2%
Jul - Dec 4.4%
Jan - Jun 9.2%
Jul - Dec 5.3%
Jan - Jun 3.0%
Jul - Dec 2.0%

Non-reduction in public expenditures and the destructive effect thereof on private savings

Reducing expenditures-a structural problem

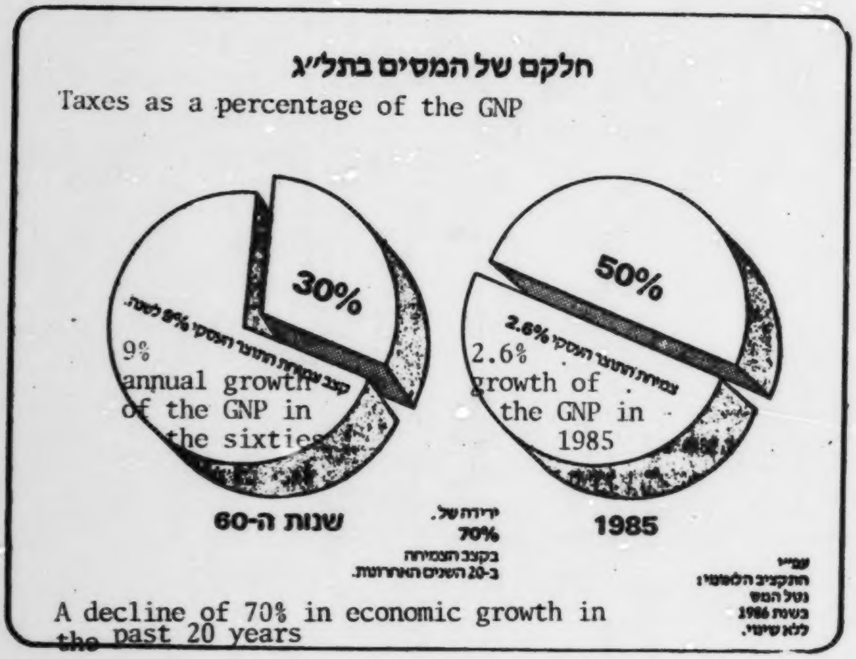


Public expenditures

Discretionary income

Private savings

Taxes as a percentage of the GNP



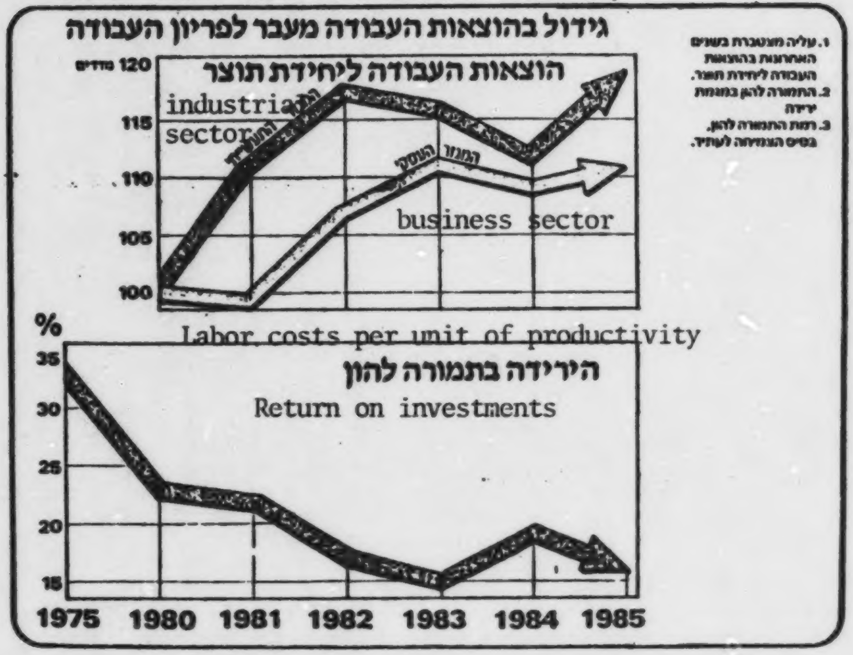
9% annual growth of the GNP in the sixties

2.6% growth of the GNP in 1985

A decline of 70% in economic growth in the past 20 years

According to the budget the tax burden is to remain constant in 1986

Labor Costs Rise More Than Productivity



On top right:

1. Accumulated rise in recent years in labor costs per unit of production.
2. Return on investment is on the decline.
3. The level of return on investment is the basis for future growth.

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CSO: 4423/89

SAMARITAN COMMUNITY THREATENED WITH EXTINCTION

Jerusalem THE JERUSALEM POST in English 23 Feb 86 p 3

[Article by Sarah Honig]

[Text]

HOLON. – The Samaritans, one of the world's smallest ethnic communities, are facing a severe demographic problem: too few young people are marrying. Samaritan parents thus plan an aggressive matchmaking campaign to ensure the community's future existence.

There are only 529 Samaritans. About half live in Holon; the rest are in Nablus. But about half of all Samaritans are single people of marriageable age, with no partners in sight.

The Samaritan publication *A.B.*, which comes out in Holon, reports that between 1970 and 1985 the community's size increased by only 28 per cent. This followed a brief spurt in growth after the Six-Day War, which reunited the two halves of the community.

There are two reasons for the high percentage of Samaritan singles.

First, the Samaritans have for long given birth to more sons than daughters. The reason for this is not clear, but it may have to do with the community's being made up of only five extended families, whose members are closely related.

Secondly, parents often make matches for their children while they are still in infancy. But when the young people grow up, they do not always abide by parental wishes, and some are thus left without spouses.

The aim now is to hold as many community get-togethers as possible to give the many single people an opportunity to get to know prospective marriage partners. There will be a constant emphasis in these meetings on the community's demographic crisis.

Many Samaritan men have brought Jewish wives into the community in the past few years. From the Samaritan point of view, such marriages present no problems, since Samaritans consider themselves descendants of the tribes of Ephraim and Menashe and see Jews as fellow Israelites descended from the tribe of Judah. Thus, these are not mixed marriages, as far as the Samaritans are concerned, but rather marriages between Israelites.

But Jews view such matches as marriages outside the faith, since the traditional Jewish view is that the Samaritans are members of a foreign nation exiled to Eretz Yisrael in biblical times by the Assyrians. It is held that they absorbed only the rudiments of the local religion upon their arrival here. The Samaritans accept only the Tora, the five Books of Moses, and their interpretation of the text tends to be literal. They reject the rest of the Bible, as well as the Oral Law (the Mishnah) and the rabbinical exegisis of the Talmud.

The chief problem for Jewish women entering the Samaritan community is the group's strict adherence to the biblical injunction of *Nida*, which demands that a woman desist from all contact with others during her menstrual period and after giving birth.

The Samaritans have been compared in some respects with the Ethiopians, whose traditions also appear to be based on the five Books of Moses, with little reference to later traditions. But unlike the Ethiopians, the Samaritans are fully acquainted with Hebrew, and read the scriptures in what they maintain is an ancient Hebrew pronunciation. They also use the ancient Hebrew alphabet.

Moreover, they have no problems with the rabbinate, since they have never tried to integrate with the Jewish community. They run a separate community according to their own traditions, headed by a cohen or priest.

At the times of the Moslem conquest, the community claims, there were over 300,000 Samaritans in this country. But by the start of the British mandate after World War I, their numbers had dwindled to 146. Most Samaritans are thought to have been killed or forcibly converted by the Arabs.

Ancient enmities between Jews and Samaritans have been replaced in modern Israel by assistance extended to the community by the state, especially after Yitzhak Ben-Zvi, the second president, took the community under his wing.

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CSO: 4400/136

ISRAEL

EMPLOYMENT SITUATION IN TERRITORIES DISCUSSED

Jerusalem GOVERNMENT PRESS OFFICE in English 24 Feb 86

[Article by Yakir Tzur, originally published in DAVAR on 21 February 1986: "The Employment Situation in the Territories"]

[Text] As in each year over the last eight years, a delegation comprising three International Labor Organization members arrived in Israel this week to review "the worker and employment situation in the occupied Arab territories." The delegation members met with Arab and Palestinian figures in Jordan, Judea and Samaria, and the Gaza Strip, and with civil administration and Labor Ministry representatives in charge of employment in the territories.

The committee's report will be submitted to the annual ILO conference in June, and--as always--there will be someone to find in it issues for lashing out at Israel. Last year's report was marked by an "unobjective approach to the description of developments in the spheres of labor and employment among residents of the territories--due mainly to political opinions," says Shlomo Amir, the labor minister's adviser for Judea, Samaria and Gaza matters. Israeli administration sources hope that the report will be more objective and less harsh this year.

It is highly doubtful whether Ibrahim, Sufian, Mahmoud and Omar of Hebron, the Yatah Village, Ramallah or Bethlehem, have ever heard of the ILO or of the report in which they figure as statistical data. For them, reality is summed up in their chances of coming back home at the end of the day with their daily pay in their pocket, or passing the day at a cafe and going home empty-handed.

We met Ibrahim and his friends this week in the environs of the "slave market" near Damascus Gate in Jerusalem. Every morning they come in their thousands from all over the West Bank and wait for someone to come and pick them up for construction, cleaning or porterage work--wearing clothes that have seen better days, a red or white kaffiyeh on their heads, and carrying a plastic bag. The porters are picked up by trucks waiting for goods to be delivered, while the construction workers, pavers and plasterers assemble at street corners. A stranger passing by will be stared at by dozens of pairs of eyes--perhaps he is looking for a porter or a cleaning man or for diggers for construction work.

The accepted tariff is 15-20 new shekels per day for an ordinary worker, and 30-40 for a professional plasterer or paver. From a talk with these people there emerges a harsh picture of unemployment in the construction field. The winter season also causes a drop in demand for workers. In two or three months--so they believe--work will be available again. In the meantime they while away the time in the hope of finding a day's work here and there. Among them are people who have not worked for over three months. They refrain from turning to employment bureaux, mainly on account of the low salaries paid through them.

About one-third of the labor force in Judea, Samaria and Gaza--80,000-90,000 workers--are employed in Israel. Half of them in an organized manner, via employment bureaux. The rest are unorganized. The "organized" receive work permits via the Military Administration and the employment bureaux, and are referred to work places according to requests from employment bureaux inside Israel. They receive their salaries from the payroll department of the Labor Ministry's Employment Bureau, which collects their wages from the employers and deducts income tax and national insurance fees. Organized laborers are entitled to social conditions such as annual leave and convalescence pay, holiday pay, clothing compensation, sick leave pay, compensation for work accidents, old age pension, disability pension, mutual insurance and health services. They are not entitled to old age and unemployment allowances, or to large-family insurance. The national insurance fees deducted from their wages are deposited in an accumulated fund in the treasury, part of which serves for development projects in Judea and Samaria.

The monthly average of workers from the territories employed in Israel in an organized manner in 1985 was 43,600 per day. One-quarter of them were employed in various service jobs--restaurants, hotels, cleaning work and municipal services; about 35 percent were employed in industry--textiles, metals, foods; approximately 10 percent in seasonal agricultural jobs--picking citrus, tomatoes and cucumbers; and around 30 percent of the workers in the multi-year average are employed in construction work. Due to the drop in new building starts last year their number plummeted from 20,000 in 1984 to about 10,000 today. This breakdown alters if we take into consideration unorganized labor employed mainly in construction, agriculture and services. The full picture that emerges is that approximately half the workers are employed in various construction and renovation jobs, 20 percent in industry and 10 percent in services.

According to Central Bureau of Statistics data, the level of unemployment in Judea and Samaria currently stands at about 4 percent of the 150,000-strong labor force, vs. 2 percent at the end of 1983. In Gaza it runs at 1.2 percent of an 85,000-strong labor force, vs. 0.6 percent in 1983.

Until recent years there was a certain division in the demand for labor between Israel, the territories and neighboring Arab countries. Between the Six-Day War and the Yom Kippur War the Israeli economy absorbed unemployment pockets in the territories without difficulty. The slowdown that followed the Yom Kippur War coincided with a period of prosperity in the oil countries, and tens of thousands of workers went to Kuwait, Saudi Arabia and other countries in the region.

Over the last couple of years, and with the fall in oil prices, the exodus of Judea, Samaria and Gaza workers to neighboring countries diminished, but the Israeli economy is incapable of absorbing the superfluous workers. Civil Administration data show, however, that the incoming number is still larger than the outgoing, although the gap between outgoing and incoming has been considerably reduced.

A central problem defying a proper solution is the employment of academics. Dozens of academics who fail to find a job graduate every year from universities in the territories. If we add to these the number of students returning home from their studies in neighboring Arab countries, in Eastern European and in the U.S., we shall reach 5,000 (according to an administration estimate) or 10,000 (according to sources in the field) unemployed academics or graduates working in casual, unprofessional jobs. The academics in question are mainly humanities and social science graduates, as well as engineers, physicians, teachers and the holders of semi-academic professions such as draftsmen, cost accountants and journalists. The Israeli market is closed to them, and they cannot find employment in Arab countries either. Deputy coordinator of activities in the territories, Colonel Freddie Zach, mentions indefatigable efforts aimed at resolving the problem. Zach speaks of contacts with international voluntary organizations with a view to setting up various projects in the territories so as to create jobs for academics.

The slowdown in the Israeli economy caused a 5-7 percent drop in the number (of territories residents) employed in Israel, the majority of whom have found work in the territories. The wage erosion has considerably reduced the attraction of Israeli economy. While in the past the ratio between wages (earned through work inside Israel) and wages in the territories stood at about 1:3--today the gap has been reduced or even eliminated. The level of unemployment in Judea, Samaria and Gaza is still within reasonable limits, and employment bureaux are capable of meeting the bulk of demand for work inside Israel. Yet the employment=security equation has not been forgotten. Existing contingency plans will enable, if the need arises, jobs to be provided to several thousand--no more than 10,000--in make-work jobs such as afforestation and road construction.

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ISRAEL

JORDAN RIFT SETTLEMENTS IN FINANCIAL DISTRESS

Jerusalem THE JERUSALEM POST in English 6 Mar 86 p 2

[Article by Menahem Horowitz]

[Text]

TIBERIAS. – The heads of the three regional councils in the Jordan Rift Valley this week decided to set up a joint action committee and began a public campaign to demand urgent government help for distressed settlements in the area.

The regional councils included kibbutzim, moshavim and one urban settlement in the area between the Dead Sea and the Beit She'an Valley.

The heads of the councils said that after 19 years of settlement in the Jordan Rift – since the Six-Day War – there were still only 900 families in the area. They charged that they have not received sufficient resources from the government – despite the fact that there was a national consensus that the area must be settled.

The settlements are suffering from a shortage of means of support, approach roads and school and communal buildings.

Deputy Premier David Levy attended the meeting at which the joint committee was set up, and promised the heads of the three councils that he would raise their problems in the cabinet and would push for granting them aid.

At Moshav Biranit, on the border with Lebanon, hundreds of members of the five striking northern moshavim demonstrated next to the border crossing to protest against the failure of the Jewish Agency and the Agriculture Ministry to solve their financial problems.

At Moshav Zar'it, the first of the moshavim to go on strike, the male members yesterday agreed to requests by MKs and asked the settlement's women and children to return, three days after they left the settlement as part of the protest.

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CSO: 4400/136

ISRAEL

NATIONALIST SENTIMENTS AMONG ARABS INCREASE

Jerusalem GOVERNMENT PRESS OFFICE in English 6 Mar 86

[Article by Shefi Gabai, Arab affairs correspondent, originally published in MA'ARIV on 5 March 1986: "The 'Palestinization' of Israel's Arabs"]

[Text] A new study on Israel's Arabs finds that the worsening relations with Jews is a process that is on the rise so together with a rise in the Arabs' political consciousness. The Arabs of Galilee, the triangle, and even bedouins in the Negev are today not ceasing to make demands which are directed toward getting them their share of the national pie. These demands are already bringing about extra-parliamentary organizing which is liable to determine the image of government in Israel, since the Arabs presently comprise 17 percent of the country's overall total population and 10 percent of all the voters in Knesset elections. Thus the Arab sector's political clout is potentially worth 12 Knesset seats.

The study was conducted by Raanan Cohen, until recently the Labor Party's adviser on Arab affairs, within the framework of his studies for an M.A. degree in Tel Aviv University's Faculty of Humanities. It was based on Cohen's daily contact with the Arab sector over the course of many years. Cohen's conclusions are studded with warnings about the changes taking place in Israeli Arab society, in light of its transition from a traditional clan framework to a process of "Palestinization," against a backdrop of increasing affinity for the PLO.

The sense of their affinity for the PLO is quite discernible, especially among the younger generation. This generation has learned how to make its struggle against the Israeli establishment compatible with the legitimate rules of the game as it's played in Israel. For example, this generation is apt to join Arab parties defined as "nationalist" and refrain from forming frameworks, such as the "Al-Ard" (land) movement, which was outlawed at the time.

The researcher found that nationalist protest organizations are already being legally formed. Seemingly naive, over the course of time are liable to become the focus of considerable influence. The "committees" of these organizations are prominent, such as the National Committee of Heads of Arab Local Municipalities and the Committee for Defending the Lands. The platforms of these organizations are vague but focused, at the present time, on the struggle for equal rights, or on the struggle against the confiscation of land. However, there is no absence of genuine political movements, radical movements which are maintaining a low profile, such as the "Village Sons," the "Progressive National Movement" and others, which see themselves as part of a united PLO. There is also the "Young Moslems" movement, which is influenced by the Islamic revival in Arab lands.

The author argues that these forces on the Israeli Arab street are becoming more crystallized. However, at the present time they're concealing the nationalist aspect of the struggle and are focusing on questions of furthering the Israeli Arabs' living standard. The leading body, which is capable of forming a united Arab party, is the National Committee of Heads of Arab Local Municipalities. This body succeeded in demonstrating its strength in the course of "Land Days" and in organizing demonstrations and strikes. This committee is now displaying increasing activity in such areas as comparing funding given to Jewish and Arab municipalities, the struggle for equal rights, and more. This party, if it materializes, is likely to compete for Arab votes which until now have gone to Zionist parties as well as Rakah and the Progressive List for Peace.

According to the author, the element of Moslem leadership is today also being reinforced on the Arab street. Until now Rakah, for example, was led primarily by notables from the Christian community, but their reduced standing in light of the Islamization of the nationalist struggle is encouraging the entry of Moslem leaders into the arena. The leadership of the "Progressive List" is Moslem. It is already difficult to find Christians among local council heads. This process parallels the fluctuations in the relative weight of the communities due to the high natural increase rate among the Moslems.

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DECLINE IN CALIBER OF IDF PERSONNEL REPORTED

Jerusalem GOVERNMENT PRESS OFFICE in English 6 Mar 86

[Article by Yigal Lev, originally published in MA'ARIV on 6 March 1986: "The IDF: The Lost Initiative"]

[Text] The IDF resembles an over-spoiled gifted child who suddenly wakes up to find himself a grown boy, reproach-laden, bearing the scars of the Yom Kippur War and the barbs of alarmed--almost hysterical--public criticism which is peeling off one by one the adornments that same public had bestowed on its darling son. He then goes off to the Lebanon war only to return humbled, reprimanded. Speaking of this child, Major General Yossi Peled, who has just ended his term as head of the IDF's Training Department, this week observed that "there is a danger that officers are growing into squad commanders on a larger scale...This leads to the emergence of limited commanders lacking in initiative."

This kid, who has been accused of manifesting the "small head" (roughly: low profile) syndrome, now hears from his top brass that his officers may turn out to be limited...

The trouble is that the kid in question is me, you, all of us.

This kid, who was ruinously pampered for years on end--years when you couldn't unwrap a piece of gum without the photo of some major general dropping out of the wrapper; when he was praised to the skies in books and enveloped by legends, tales and the love of the people, whose fascinated eyes were riveted on him--this child grew up, and suddenly found himself lacking in self-confidence, worried about his image and--worst of all--facing a real Syrian threat that could turn into a new war in no time.

When a child grows up to be "limited and lacking in initiative," his parents ought to be taken to task for having raised him this way. Major General Peled seems to have forgotten this rule in his criticism. Senior IDF officers bear the bulk of responsibility for the deplorable developments we have witnessed recently. A soldier was killed in Lebanon, and four wounded. The terrorists who attacked them got off scot-free. Two soldiers were abducted from the Lebanese security zone. Soldiers were stabbed in the Hebron Casbah. All these indicate that something is creaking in that huge and well-oiled machine called the IDF.

The erosion in the officers' standing can be traced back to objective reasons as well. As a battery (company) commander in the past I felt more independent, enterprising and self-confident than senior unit commanders today. IDF units are currently grouped into divisions, in whose vast frameworks the standing of a battalion commander is dwarfed into that of a company--or perhaps even a platoon--commander in the past. The IDF has failed to cope with the problem of building up larger frameworks, of running them while preserving the most sacred value: a commander's initiative in the field. For in the great wars we have fought, the individual commander's initiative, intuition and courage have sometimes decided the fate of a major battle.

The officers' cadre is further undermined by yet another factor. With the passage of time, the IDF is being conceived by some of its officers as a way of life and a career in which advancement is similar to that in a government institution. I have thus increasingly come across the paradox that brave officers who proved their mettle on the battlefield knuckle under in confrontations with their superiors (so as not) to jeopardize their careers. I participated in many debriefing sessions of division maneuvers. It's customary that following a division exercise (especially if the division is a regular one), senior division officers sit with the chief of staff (C-O-S) and his staff for a summing-up session.

It was on these occasions that I saw the phenomenon insistently repeating itself. Officers who were critical in the field and were able to point out blunders that harmed the exercise became submissive and even hypocritical in the way they papered over the same blunders they had criticized before. I also encountered it during wars. Operation "Peace for Galilee" is a typical example. Brigade commanders stationed in Lebanon expressed themselves to me in a style by whose side Eli Geva's statements paled into insignificance--yet never forgot to add: "Don't you write a single word."

I remember one case in which the C-O-S dismissed an officer whose rank was parallel to that of a brigade commander because one of his soldiers was killed in training. I was serving as a reservist in a regular division at the time. Brigade commanders who returned from the discussion said: "From now on, we'll try to reduce live-fire training as much as possible. How can I as brigade commander accept responsibility for a disaster in one of the battalions?" The IDF has long been haunted by this problem. Who is responsible for training accidents? The senior rank seeks to place responsibility at a lower level, which gives rise to the phenomenon dubbed "the umbrella" in IDF parlance, i.e. I open an umbrella over my own head without caring whether those around me will get wet. What's important is that I stay dry.

To this can be added the officers' impatient race for promotion. The minimal period of time that must elapse between two given ranks has catapulted officers in an almost mad race from the rank of company commander to battalion commander to brigade commander, with a two-year period--sometimes even less--elapsing between one post and another. An officer, even the most talented, must hold a post for over a year before he starts being a first-rate officer. The year in question should be devoted to the acquisition of self-confidence, control of his men and his equipment. Yet no sooner has he learned his job and specialized in it, than he finds himself with a new job in that exhausting, nerve-racking race officers are engaged in for the sake of promotion.

Assad is threatening a war in the north. If he carries out his threats as Sadat translated his own speeches into the Yom Kippur War, the IDF will have to enter a new war. I believe that the IDF officers (Assad) will confront on the battlefield will not be "limited and lacking in initiative." This is a mission for Major General Peled and his senior colleagues in the IDF to accomplish.

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CSO: 4400/138

IDF OPERATIONAL NORMS CRITICIZED

Jerusalem GOVERNMENT PRESS OFFICE in English 6 Mar 86

[Article by Reuven Pedatzur, military correspondent, originally published in HA'ARETZ on 4 March 1986: "Operational Norms in the IDF: What's Happening?"]

[Text] "Something's screwed up at the operational level, and even more so in the determination of the soldiers. How is it possible that you run into an ambush, one soldier is killed, four others are wounded, and the terrorists get off without a scratch? The whole squad gets away without being hurt, and we don't even have a clue who they were. Sure, I know the old argument that says incidents like this are inevitable when we're wandering around in Lebanon. First, we can and have to prevent them even in Lebanon. And second, unfortunately, serious occurrences are showing up in other activity too. The Jordan Rift Valley and Hebron surely aren't in Lebanon."

The speaker is an officer with a wealth of combat experience. The problem, in his view, isn't the personal level of the young soldiers, but the norms that have taken root in the IDF in recent years.

The kind of operational level that in the past would have generated trenchant clarifications and led to the dismissal of officers, today evokes no special emotion. Whereas in the past steadfastness in the execution of one's mission was inscribed on the army's banner, of late both soldiers and officers who haven't shown such steadfastness are getting a pat on the shoulder.

A few days after the abduction of the two soldiers in Lebanon, I happened on a conversation between two veteran paratroopers: "I don't believe that in our day two of us would have been abducted from a car without a few bodies being left on the other side. But look what happened this time. I don't understand what's happening to the youngsters today."

True, old-timers always talk about the past with a touch of nostalgia. Yet the conversation of the two veteran paratroopers seems to provide an indication of what is worrying so many IDF officers today. The military thinking of the two paratroopers is simply grounded in a different set of norms. That system of norms, which was held by IDF soldiers for many years, has been severely eroded in recent years. There's no doubt that the erosion gained momentum during the IDF's stay in Lebanon. But the real problem now facing the army isn't to pinpoint the sources of the erosion in the operational norms of the soldiers, but to cope with it.

Many of the officers whom I talked to about this matter admitted that they felt very uneasy. One of the evils they point to is human infringement of the basic norm relating to crime and punishment. It all starts in training, they say. In many cases, sloppy and even inefficient performance of the exercises, and violations of procedures and orders, do not produce incisive clarifications at the level of commander. It sometimes appears that the promotion of many officers is wholly unrelated to the operational capacity they evince in their duties. Most serious of all is the "closing" of matters by the senior command circle. Often when the mistake in execution is too glaring, or when there are wounded among our soldiers, a scapegoat is found from among the officers who aren't part of the senior circle.

"If a soldier is wounded during a brigade exercise," says a senior officer, "it is inconceivable to court-martial the battalion commander to trial, while the brigade commander, far from being involved in the legal proceedings, is actually promoted to a more senior position." Cases like that cause severe erosion in the area of personal example, which is one of the foundations of a properly run army.

Thus soldiers are trained in an atmosphere in which in many cases the desire "not to get involved" becomes the main thing. Such an atmosphere obviously has a destructive influence on the role of both soldier and officer in operational activity. Adherence to the goal and steadfast performance become of secondary importance, initiative and originality are shunted aside in favor of routine, "square" actions, which will not get their perpetrators into trouble or call for explanations at a future date. There is no escaping the feeling that instead of demanding that the army make greater efforts to surpass a certain level, the preference is often to lower the level and to take pride in soldiers who pass it.

The investigation of the incident in which two soldiers were kidnapped in southern Lebanon, throws light on the activity of an IDF officer who was travelling in one of the vehicles of the attacked convoy. When the firing began, the officer jumped into a nearby ditch, in order to find shelter. A few minutes later, a local resident stepped into the ditch, patted the Israeli officer on the shoulder and said: "That's it buddy, you can get out now, the firing has ended. But just so you know, they've taken two of your soldiers."

The danger latent in this deteriorating condition is aggravated by a conspiracy of silence. It appears that many officers are aware of and troubled by the deterioration. But the IDF does not encourage discussion of the issue: The officers and soldiers' agonizings and deliberations are generally carried out in strict secrecy. On the surface, everything is in order. The hitches are part of the routine and there is no reason for concern which would require a change of approach, or special deployment to brake the downhill slide.

There are almost no secrets in the IDF. Anyone with eyes in his head who is even slightly knowledgeable about what's going on in the various units, discerns the deterioration and erosion. Almost every combat officer knows by heart the details of events such as the stabbing of the soldiers in the Casbah of Hebron, the ambush in the Jordan Rift Valley, the abduction of the two soldiers in southern Lebanon and the ambush in which Corporal Malka was killed last week. They are also well aware that the responses of the senior command echelon do not indicate that "there at the top they really appreciate that the situation is not too good."

Thus among officers a cynical approach evolves, which is fraught with danger. More and more often one hears people say: "If this is the IDF image the senior command wants to create, who are we to stand in their way?"

A senior reserve officer who addressed the issue this week said that in its history the IDF has had its ups and downs, a sort of sinusoid. At present, he said, the army finds itself in one of those down periods. But this time, seemingly, we are falling so far down that afterwards it will be difficult to climb out.

The hint of generalization in all of the above naturally does injustice to and harms many soldiers and officers who function impeccably, and who personify the opposite of all that has been said. But the intent is to point out the evil spirit felt in the ranks. If this spirit is not curbed in time, it could cause an avalanche: Its nature is such that it does not immediately drag along with it the entire structure, but gradually erodes its foundations.

Only the personal involvement of the senior command will be able to bring about the necessary change. In fact, in this instance, the initiative of the chief of staff himself is called for.

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CSO: 4400/138

SAUDI ARABIA

DIRECTOR GENERAL OF RAILROADS REVIEWS FUTURE PLANS

Jeddah 'UKAZ in Arabic 11 Jan 86 p 9

[Interview with General Railroad Organization Director General His Excellency Faysal al-Shuhayl, by Muhammad al-Qarni and Sa'id al-Ghamidi: "4.4 Billion Saudi Riyals to Carry Out the Projects in the Railroad's Third 5-Year Plan"; place and date not specified]

[Text] The Kingdom of Saudi Arabia's General Railroad Organization is working to carry out a number of projects to serve the national economy, including a proposed rail line from Riyadh to al-Qasim, another from Dammam to the Jubayl Industrial City, a plant to manufacture freight cars, an integrated service complex in Dammam, and the computerization of high-speed train traffic to Riyadh.

Director General of the Kingdom's General Railroad Organization His Excellency Faysal al-Shuhayl explained all this during a comprehensive interview with 'UKAZ, starting off by reviewing the organization's accomplishments during the third 5-year plan.

Maintenance of the Dammam-Riyadh Line

He said, "During the third 5-year plan, the old line extending from King 'Abd-al-'Aziz Port and passing through Dammam, Dhahran, Abqaiq, Hofuf, 'Ayn, Harad, and al-Kharj and ending at Riyadh was renovated. This 565-kilometer line was improved by the addition of new rails and crossties, since the traffic now consists of freight trains. The new line runs alongside the old one as far as Hofuf and then heads off towards Khurays, reducing the distance to Riyadh by about 120 kilometers. Furthermore, new stations, in the latest Arab-Islamic style, have been built in Dammam, Hofuf and Riyadh, to be followed by other stations in coming budgets, God willing. Several facilities have been constructed, such as maintenance shops and storage depots. New cars and locomotives have been purchased, and manpower has been trained as well. The only thing left is to put a signals system into practice, in order to prevent accidents and ensure safe locomotive traffic. The projects in this plan have cost more than 4.4 billion Saudi riyals."

The Suitability of the Lines to Climatic Conditions

Discussing the suitability of railway line design to the Kingdom's climatic extremes, particularly in the Eastern Province, al-Shuhayl said, "Actually, there are small expansion gaps every couple of meters. When the new line was being designed, consideration was given to welding the rails. However, iron rails expand in the summer and contract in the winter. We don't have a problem with cold in the winter, but we do have a problem with heat in the summer. Therefore, expansion gaps were made all along the line, and in addition there is continual maintenance."

Sand Dune Barriers

He added, "We also have a problem with sand dunes drifting over the line, thus impeding traffic. We have mobilized about 600 workers to clear away these sand dunes and to build barriers to prevent them from drifting. We also use some machines for this task.

"We don't face this problem with the railroad alone, but with highways as well. The University of Petroleum and Minerals in Dhahran is working with the Communications Ministry and the railroad organization in preparing studies of this problem. Once a solution is reached, it must be applied everywhere. Hofuf has been successful in establishing a green belt around the city."

Modern Locomotives

Referring to the locomotives and cars which have been ordered recently, al-Shuhayl said, "The engines which pull cars are different from the cars themselves. The engines are machines to pull passenger and freight cars. In the past, they were not equipped with communications equipment; things are different now, for they are provided with various equipment, such as a covered refrigeration unit to prevent the dust from getting in. So much for the engines. As for the cars, there are two types. The first is for freight, and consists of flat-bed cars for hauling general cargo and other, specialized cars for transporting fuels. The General Railroad Organization transports fuels for PETROMIN in special tank cars. Furthermore, there is the grain silo project, and the transfer and customs clearing of containers in Riyadh, which reduces the burden on King 'Abd-al-'Aziz Port in Dammam and at the same time helps merchants clear their goods in Riyadh instead of going to Dammam."

A Rail Line To Link the Central and the Western Provinces

Speaking of the idea of extending a rail line from Riyadh to al-Qasim or al-Ta'if, Shuhayl said, "Studies on this have been awarded to some consulting companies and offices, who will examine the economic feasibility of building such a line in comparison to other transport means. If the idea is found to be feasible, then without a doubt our enlightened government will not hesitate to carry out such a project to link the Western Province with the Central Province."

Linking GCC States By Rail

With respect to the idea of linking the Gulf Cooperation Council [GCC] states in the future by a standardized rail line, al-Shuhayl said, "This project comes under the jurisdictions of the GCC countries' transportation and communications ministries. As far as I know, a consulting company has been retained to study the matter. I don't know what results have been reached by this study, or whether the idea has been approved or not."

The Use of Computers in Locomotive Activity

With respect to the application of computer systems in the Kingdom's railroad services, al-Shuhayl remarked, "We have introduced computers into depots and into procurement, employee affairs, and administrative affairs offices, and we will later computerize the movement of the many locomotives going to and from Riyadh. At present, a computerized signals and radio communications system is in use in engine traffic, and computers will gradually be put to use in all sections of the organization."

Combined Passenger-Automobile Trains

As for transporting automobiles on freight trains, al-Shuhayl replied, "At the present time, we transport automobiles via freight trains on a commercial basis. An automobile agent recently contracted with the organization to transport automobiles to Riyadh and clear them through customs there. We have thought of transporting automobiles on the same train as passengers, primarily in the east-central region, because the passenger would benefit greatly from being able to ship his car along with him and clear it quickly in only 20 minutes. The combined auto-passenger train plan will be given to some company by bid, and it might take a whole year for the idea to materialize. The whole idea, of course, is to encourage people to travel by train, so as to avoid automobile accidents. In 2 or 3 months, God willing, passenger trains will be equipped with telephones, so that travellers can call any city in the Kingdom from the train."

A Plant to Manufacture Freight Cars in the Kingdom

Referring to the manufacture of freight cars, al-Shuhayl added, "There is no doubt that it would take years to establish plants to manufacture train cars. However, thought has been given to manufacturing freight cars in the Kingdom; some merchants have suggested this to the General Railroad Organization, and the board has looked into the matter and has encouraged it. A third party --the Arab Investment Bank--has been brought in as a partner in this plant, along with the Saudi railroad authority. We have begun the initial steps, which are not yet completed, but the licensing already exists.

Establishing an Integrated Service Complex

In response to a question as to what has been done about a hotel and shopping center being built at the train station by the real estate and the hotel companies, Faysal al-Shuhayl said, "The agreement with the hotel company still stands, and when the new station is finished it will be moved from the old station. The Saudi Hotels Company and the General Railroad Authority have set up a new company in Dammam, called the Real Estate Company, to build hotels, shops, parking areas, and grocery stores, which will constitute an "integrated complex" for commercial units and public services. This project has been delayed for a re-examination of its economic feasibility. The project may be carried out in several stages instead of all at once."

We Want To Cover Costs

As to whether the railroad can cover its expenses without relying on other sources, al-Shuhayl commented, "This is one of the goals we are striving to achieve. The railroad organization has a long-range plan for covering its expenses completely, and the first step has been taken with the Hotels Company and with some other small companies. I can frankly say that the organization cannot cover its expenses within a short period of time, 5 years, for example, since it will take us more than 10 years to overcome some of our problems. As for extending more rail lines to other areas, that is yet another matter."

We Want To Attract Saudi Personnel

Discussing the role of the railroad training centers and their achievements in the technical training of Saudi manpower, al-Shuhayl remarked, "The first vocational railroad training center was set up 30 years ago, and most of those now working in this field have graduated from it. The organization relies greatly on their outstanding technical expertise. About 10 years after it was founded, the center was closed temporarily, and was then reopened 6 years ago.

"Last year, many new young people, graduates of elementary and intermediate schools, enrolled in it for preparation and training for employment with the organization. We are constantly working to find new ways to encourage them and attract them to this field. We now have several fully-equipped workshops and a highly-educated and scientifically skilled faculty. The diplomas which the trainees receive from this center are recognized by the Civil Service Commission."

Saudization Is A Patriotic Duty

With respect to the program to Saudize the railroad, al-Shuhayl said, "All the section chiefs are senior railroad employees who have outstanding expertise. Nevertheless, we are trying to attract new faces, and we have actually sought the aid of engineers who have graduated from the University of Petroleum and Minerals. We are still trying to attract many new young people to replace the senior employees when they retire in the future. As for Saudizing any government department, this is a patriotic duty which takes precedence over anything else. The problem lies in the fact that the citizen himself does not respond to this Saudization effort, even though the Civil Service Commission has stressed the need to fill positions with Saudis. We have made great progress in replacing contract employees with highly-skilled Saudi employees, to the point where Saudis constitute about 70 percent of our work force. God willing, these positions will be totally Saudized in the future."

University Specialization in Railroad Studies

With reference to the idea of setting up university sections and specializations in railroad studies, with the cooperation of the organization and the universities, so as to graduate railroad specialists, al-Shuhayl said, "This is a good idea, but the problem is that if such a specialized section were to be established, the young Saudi who entered it would have no other field of employment than the railroad, especially since this agency is not widespread enough for a university to teach specialized subjects in this field. However, help can be sought from the vocational institutes. The idea is no doubt good enough for a university to adopt it, but some of them would not support the idea of setting up a college or specialized section because the young people would not accept the idea. If the railroad field expands, however, there would be an opportunity to establish such a college."

Greater Acceptance Of the Railroad

In response to a question about the railroad's recent accomplishments, he said, "There has been no noticeable progress recently, for this has been a time of construction and repairs. However, beginning last September, after the completion of the rail line which shortened the distance to Riyadh, the number of passengers, especially on the weekends, increased so much that many of them could not find places on the train. We will increase the number of trips as soon as the new stations are completed. Also, once the telephone services, the signals and the radio communications systems are put into effect, the number of passengers can be expected--nay, is sure--to increase."

The People of Hofuf Prefer the Train

Discussing the effect the construction of new rail lines has had on the Saudi airlines, especially at the al-Ahsa' Airport, al-Shuhayl remarked, "The trip from Riyadh to al-Ahsa' can be cut to two and a half hours by using the train. The trip by air might take longer than that, because it takes half an hour to get to Riyadh from the Riyadh Airport. The people of Hofuf undoubtedly prefer the train to the airplane.

"There are several ways to go from Dammam to Riyadh, including the highway, which has shortened the travel time to about three and a half hours, in addition to the railroad. Both ways are much better now than they were, and have affected air travel, because they are becoming more acceptable. This is a blessing, praise God, and shows the state's concern for providing means of transportation."

Several Housing Projects for Employees

With respect to the railroad organization's housing projects for its employees, he said, "We have built several housing projects. We built some housing units in the neighborhood of the head offices, as well as the "al-Nasiriyah Quarter" on the Dammam-Khobar highway, another quarter for singles, and two apartment buildings. We have about 16 apartment buildings in Riyadh, and a number of housing units for employees in Hofuf, al-Kharj, Abqaiq and Harad. There is a recreation center with playgrounds, soccer fields, tennis courts, and an enclosed playing field. His Majesty King Fahd bin 'Abd-al-'Aziz has granted lots located in the best areas of Riyadh to railroad employees who have served more than 15 years."

Building New Rail Lines

Discussing the General Railroad Organization's future plans, al-Shuhayl said, "We have now met many of the organization's needs, and the Planning Ministry and the General Railroad Organization are studying the possibility of extending new rail lines in the future. If this is proven feasible, the organization can build them, even if it takes a long time."

Setting Up a Railroad Exhibit

Concerning the idea of establishing an exhibit or museum to depict the organization's progress from its founding to the present time, al-Shuhayl remarked, "The idea exists at present, but there are some small obstacles to achieving this idea, which we will overcome, God willing. We still have the first locomotive ever used on the Kingdom's railroads."

In response to a question about the weekly passenger volume, he noted, "The number of railroad passengers is still limited, and amounts to about 1,400 travellers each day. Very soon we will increase the number of trips. I believe that the ticket prices are acceptable and reasonable--first class costs 60 riyals, and second class costs 40 riyals. The use of a high-speed, non-stop train between Abqaiq and Hofuf has been considered."

Replying to a question about the organization's economic return from the containerized station (the customs station) in Riyadh, he said, "Around the world, railroads are considered important utilities serving the economy. The railroad has a undeveloped economic return, meaning that it is a means of transporting passengers and goods. This land port was set up in Riyadh to promote shipping at lower-than-usual tarriffs. It is equipped with everything it needs to attract shippers. We have been highly successful here, to such an extent that our income from shipping exceeds our passenger income.

"There is no doubt that a diversity of means of transport is of great service to the economy. Whenever there are many means of communications, the prices drop, and the reverse also holds.

"Praise God, the Kingdom has recently completed a vast network of roads and railroad projects."

With reference to maintaining and protecting the residential areas through which the railroads pass, al-Shuhayl commented, "A plan for building walls has been studied and incorporated into the budget. However, there are many difficulties in the way, since there must be pedestrian crosswalks. The Communications Ministry wants to carry out a long-range program to increase the number of bridges."

High-Speed Trains To Be Used Soon

In response to a question about the possibility that high-speed trains going over 200 kilometers an hour might be used, al-Shuhayl added, "Such high-speed trains are now in use in Japan, France and Germany. As for the Kingdom, our trains, the so-called "diesel electric" trains, can go only 160 kilometers an hour. Speeds in excess of 200 kilometers an hour require electric trains. At present, we would like to use this kind of train once the line is converted into an electric line in the future. However, if we increase the speed without providing barriers along both sides of the line, there will be accidents and disasters, God forbid."

Speaking of his visits to other Arab countries, he said, "I have visited several Arab and European countries, the most recent being Mauritania, where rail lines are used to serve the mines. Mauritania's transportation means are quite advanced, since railroad services there have been computerized for some time. In the course of these visits, I looked into many areas, such as the transfer and exchange of technical expertise and the use of Mauritanian technicians if necessary. My other visits were to countries quite advanced in the transportation field, such as Japan, France and Germany."

The Ownership of Land Alongside the Lines

Replying to a question about who owns the land lying alongside the railroad lines, al-Shuhayl remarked, "In most cases, the area lying within approximately 200 meters of the rail line belongs to the railroad. Land ownership is established by legal deed before the line is built, and in such cases the railroad takes only about 50 meters.

"If the ownership of the land is established after the line is built, then the railroad owns 200 meters on either side of the line."

We Have Built Huge Depots

On this same subject, al-Shuhayl commented, "In more and more cases, we rent farm land traversed by railroad lines in order to make the view more attractive. Furthermore, in Riyadh, Hofuf and Dammam we have built several large depots, which are a source of financial income for the railroad."

8559
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OFFICIAL DISCUSSES FUNCTIONS OF LABOR OFFICES

Jeddah 'UKAZ in Arabic 11 Jan 86 p 10

[Interview with Deputy Minister of Labor and Social Affairs Ahmad al-Yahya, by Hasan Mani' Abu-Saqq: "Labor Force Legislation Covers Job Applications, Transfer of Sponsorship, and Work Permits"; date and place not specified]

[Text] The directors of labor offices in Abha, Wadi al-Dawasir, Mecca, al-Ta'if, Bishah and al-Bahah recently concluded their meetings in Najran, chaired by Deputy Minister of Labor and Social Affairs His Excellency Ahmad al-Yahya, during which they discussed various issues and sought the solutions needed for the problems facing workers and employers.

Right after these meetings, 'UKAZ interviewed Ahmad al-Yahya about the recently issued directives concerning the transfer of sponsorship, which were primarily intended to help the private sector and contribute to employment stability. Prior to these new directives, transfer of sponsorship had led to massive migrations within sectors, impairing productivity and opening the door to an epidemic of job-hunting.

His Excellency stressed that the labor offices have successfully found job opportunities for citizens of all categories and qualifications, and indicated that a new strategy is being prepared for subsequent application in all labor offices, so that they can function according to ministry goals.

He also pointed out that the labor offices handled 50,000 cases last year, because these offices operate according to a carefully studied plan which is in step with development in the Kingdom's economic and private sectors. A "facsimile" system has been introduced in order to facilitate communications between the labor offices and the ministry, so that data can be transmitted and stored. Efforts are also being made to computerize all the labor offices' activities and to provide training courses for new ministry employees. The text of the interview follows.

Periodic Meetings

Our first question was about the topics discussed at the meetings. Al-Yahya said, "These are periodic meetings, which we regularly hold with labor offices in the provinces. We always ask them to prepare agendas which include all aspects of daily life in the field and the day-to-day difficulties which the directors of these labor offices might encounter while carrying out their duties. They submit these agendas to us so that the ministry can read them over and add any topics we might think of. Therefore, such meetings cover many topics, which can be classed into four principal labor force topics. The first includes job applications, transfer of sponsorship, and work permits. Next comes the matter of cases, which involves several points pertaining to handling the disputes which the labor forces must resolve in a suitable manner, and the possibility of finding new, more effective means of handling such disputes.

"The third topic pertains to inspection and the discussion of inspection plans for the various sectors, and also involves private sector activities and other measures relating to administrative, staff and financial matters within the offices themselves. Leading officials from the deputy ministry for labor affairs, such as the labor force director, the general planning and budget director, and the general director for legal affairs, take part in the discussion of these topics. At this point the ministry shifts over to field work to discuss matters with executive leaders, so that matters can be handled more realistically and the ministry's and labor offices' desires to provide the best possible services to all involved can be achieved.

A Leading Role

Speaking of the labor offices' role in hiring Saudi manpower and regulating employment and job applications in general, al-Yahya said, "All flattery aside, they play a leading role, since they are the government agency charged with the fask of finding job opportunities for citizens of whatever category and training. In addition, the labor offices always classify job applicants according to how much education they have had, since this reflects on the development of the society, and enroll Saudi manpower in the development process. Nevertheless, we cannot say that we have carried out this role in its full sense. But we are confident that with greater effort, we will be able to attract more Saudi manpower to the employment field. In the future, God willing, we will be able to prepare a sound framework for employing citizens in private sector jobs and to construct a strategy in step with the requirements of job-seekers. Furthermore, God willing, we will apply this strategy throughout all the labor offices, so that they can function according to ministry goals."

We Do Not Answer Their Applications

Referring to the labor offices' pursuit of fictitious organizations, Ahmad al-Yahya said, "We do not approve of any such organization, although there are some fictitious organizations operating secretly. The problem is that the owners of these organizations set them up for the sole purpose of establishing a so-called "special project" or "private organization" which exists only on paper. What they are trying to do is make a profit, one way or another. In any case, we are not concerned about such organizations, and the labor offices do not process applications obviously submitted by these organizations. Therefore, in many cases they can respond to many job applicants by informing them that they don't need an employment application. I don't believe that these fictitious organizations will ever surpass the labor offices located in all the towns and villages, because the latter are well-informed about the types of jobs wanted in the private sector and the practical fields pursued there. For this reason, labor offices deal only with individuals who offer regular, approved jobs."

3 Million Workers In the Private Sector

Speaking of the labor offices' role in solving problems and disputes arising between workers and owners of organizations and companies, al-Yahya said, "Praise God, all the cases and disputes which reach us are limited to rights and the termination of contracts, which makes them normal cases not involving any complications which would make it hard for these offices or employment commissions to solve them. Luckily, the labor offices have been able to solve many of these cases, of which there were 50,000 last year. All were individual, not group, cases. This is not such a huge number when compared to the size of the labor force, which amounts to 2 to 3 million Saudi and resident workers in the private sector."

Our Function Is That Of a Catalyst

Al-Yahya said of the future plans for developing labor offices and improving their performance, "The real function of the labor offices is that of a catalyst and a moving force, since they are in daily contact with the country's economic and social fields and with all the innovations and changes in employment activity. From the societal angle, the labor offices are seeing changes in the categories of Saudi workers, and a surprising number of demands for improved working conditions. When we began holding meetings 4 or 5 years ago, the agenda would cover 10 pages, but later on we were surprised to see the number of pages grow to onclude new topics. We feel that the labor offices must keep in constant touch with the development of the economy and the private sector, so as to update and develop their input. Right now we are trying to create a network for coordination and cooperation among all labor offices throughout the Kingdom. As part of this network, we have introduced the "facsimile" system to make it easy for all the labor offices to contact the ministry to obtain date, first of all, and to inquire into any transactions or topics they might want to study. We started putting this system into practice this year, and praise God we have been able to exchange information and solve many problems. We have also conducted the computerization studies needed for programming all the activities of the labor offices and giving them the opportunity to exchange information with each other.

"As for improving performance, 2 years ago, working with the management institute, we began offering training programs for labor and inspection office employees in the areas of inspection, behavioral and procedural methods, give-and-take, persuasion, dealing with company owners, methods for transferring articles of work, discussion skills, and other labor issues, so as to provide all our employees with the expertise and skills needed for investigative work."

Training Before Appointment

He continued, "Our latest step is to put all new employees with the Labor Ministry offices through a 2-year training course at the administration institute in Riyadh, where they study all the activities of the Kingdom's labor offices. They are then hired at Grade 5 (for secondary school graduates). The idea is to improve their performance, help them keep up with the latest changes, and acclimate them to the all-inclusive development taking place in Saudi society."

A Service To the Employer

Referring to the new application method now being followed at the labor and application offices, al-Yahya said, "The purpose behind having the applicants present their applications directly to the labor offices is to provide a service to the applicant and make things easy for him, without his having to travel to a labor office if he lives in a village. By taking this step, the state (God grant it success) wanted to make things easy for the citizen--to go to him in his home instead of putting him to the trouble of traveling. In another sense, the labor office knows all the employers and what kinds of organizations and companies exist in its area, and can assess their needs very well. For this reason, the function of any labor office is to help the citizens without lengthening or complicating the process. Most of the applications which are submitted are studied right away and sent to the employers within a short time. But the employer must not rush the labor office's decision-making process, must be well-informed as to procedural requirements, and must be sensible and accurate in filling out lists, so that the application will not be delayed."

Application Guidelines

Speaking of the guidelines which manpower from outside the Kingdom must follow in applying for work, al-Yahya said, "These guidelines boil down to two things. There must be an actual need for the applicant, and there must be no Saudi citizen capable of doing the job, before the employer can request job applications f om overseas. There are other subsidiary guidelines connected with procedures, justifications, and other items on the list of requirements, and any employer can find these out from the labor and application offices."

The New Directives Benefit the Employer

We asked, "What is new about the directives pertaining to transferring sponsorship, and what benefits are intended from their application?"

Al-Yahya replied, "The purpose behind these new directives issued with respect to transferring sponsorship is to serve the private sector and to contribute to employment stability as well. In the past, a fantastic number of sponsorships were transferred, which made things hard for the labor offices.

"However, when the matter was examined by the agencies involved, it was found that quite often there was plenty of scope for applications, and when the labor offices reviewed the applications, there was nothing anywhere preventing them from fulfilling the applicant's need. This means that approval for the application was within the reach of anyone who submitted an application to the labor office."

"The new measures concerning sponsorship will serve many employers, since some of them have complained that once an application is accepted, the worker may not begin work for 4, 5 or 6 months--the standard time lapse in the past. The worker would also begin to be dissatisfied with the low pay and would look for another job, which would make things difficult for the employer, who would be forced to transfer this worker's sponsorship somewhere else. We have also observed the ease with which large numbers of workers moved around on the job market, the so-called 'mass migration within sectors,' which would shift thousands of workers from one activity to another. There is no doubt that this is not in the employer's interest, even though it benefits some workers. Therefore, we must protect economic activities, provide them with state support and protection, and help bring about job stability instead of the massive shifts and movements which in the end will definitely impair the private sector's productivity. This is the main purpose behind the new measures."

8559
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REPORTAGE ON ERSHAD'S 3 MARCH RADIO, TELEVISION SPEECH

Text of Speech

Dhaka THE BANGLADESH TIMES in English 3 Mar 86 p 8

[Excerpt]

The following is the English rendering of address to the nation over radio and television by President Hussain Mohammad Ershad on Sunday evening reports BSS.

Bismillabir Rahmanir Rahim

Dear Countrymen

Assalamu Alaikum,

After another few days, four years will be completed since the responsibility to run the country was vested in us. We had to take up this responsibility at a promulgated due to unavoidable reasons. [as published] When we took up the responsibility we had three major goals like some reforms in the socio-economic and administrative fields economic rehabilitation and transfer to democratic rule within a short time.

I had held out the assurance that we would place Bangladesh as a nation radiant in its own individuality before the world.

I have come before you today to tell something about the background of my assurance and also to announce an important decision.

We had assured of reforms the existing administrative system had the long nurtured socio-economic system in vogue in the country. No direct link between the administrative system and the people could grow up, the participation of people in administration does not arise.

Although lip service was paid to the principle that the people are the source of all power, yet in course of the first decade of our independence no practical effort was made to establish the people as the main element of control and execution of power.

We have tried to take the administration nearer to the common men. We undertook the step to decentralise the administration with a view to establishing the direct authority of the people on it. We did it from a point of realisation of its historic necessity. The upazila system is the first important step in that direction. For the first time in our history, the administrative executive power has been vested in the hands of the people's representatives.

Dear countrymen,

With the introduction of the upazila system the administration has not only gone nearer to the people but the power to adopt planning locally and implement it has also now been vested in their hands. Civil and criminal courts now have reached much nearer to the common men.

Decentralisation of the capital-based judiciary was equally necessary side by side with the decentralisation of the capital based administration.

We have therefore, decentralised the judiciary in conformity with the social reality and the hopes and aspirations of the people. The High Court branch of the Supreme Court are now in six centres outside the capital and the steps have helped the general people in availing of higher judicial facilities.

When the power was vested in us in 1982 the economy of the country was not at all in good shape. On the contrary it could be said that the economy was in a shattered condition. The foreign exchange reserve was abnormally low. The slowness in the industrial production had caused great concern. We had started our function with appalling food deficit.

The indiscreminate nationalisation in the industrial and commercial sectors did not help production. It also did not expedit. The industrialisation and the development and flourishment of national capital too. Rather the attempt had narrowed down the industrialisation and investment. Because of the unfavourable situation, the national economy was going to be in great danger of becoming crippled with foreign loans and turning into a market for foreign goods. Instead of production increase in the mills and factories the state exchequer was under heavy pressure and an anarchy was prevailing in the entire economy.

This situation was beyond the capacity of our society. It was urgently needed to end such a situation without delay not only to streamline our economy but also to protect our existence. It was a great challenge.

We had to face these challenges soon after our taking up the responsibility. We had to take up the hard and complicated programmes in the fields of industry, banks and insurance, production and capital development and capital investment.

And by the grace of Allah, we had succeeded in our programmes. We could successfully overcome the crisis and free the economy from the stagnant position by disinvesting capital from industry, banks and insurance and by paving the ways for private investment in the industrial sector. The rate of GDP in

1981-82 in the country was 1.61 per cent but it increased to 4.2 percent in the year 1984-85.

It was said that Bangladesh would live if 68 thousand villages live. Again sixty-eight thousand villages mean crores of peasants in the country, because peasants make up 80 percent of the country's population. Land and peasants are the backbone of our economy and they contribute the lion's share to the GDP.

Land reform is the precondition for the meaningful development in the agricultural sector. But this important work was neglected in the past. We took up this most urgent task on priority basis. We have brought about significant reform, to the centuries-old land tenure system. In our society agricultural labourers and farmers are perhaps the most deprived section. we have been able to take an honourable stand in respect of our wage structure. We have been able to end the perpetual uncertainty of the sharecroppers whose contribution to the agricultural production is most significant.

We believe that the fundamental reforms in administration economy and land ensure system have marked the beginning of a far reaching change in the socio-economic field. Our people have in the meantime started getting the benefits of these changes.

I have mentioned earlier that we began the work of running the government with critical food deficit. Damage of crops by successive natural calamities deepened that crisis still further. Many had expressed the apprehension that Bangladesh was going to face a famine still more devastating than that of 1974. I declared that we would not allow a single man to die of starvation. By the graxe of Allah and with the united endeavours of the people administration and Armed Forces we had been able to face the calamity. Not a single man died of starvation.

Dear countrymen,

I pledged to establish Bangladesh with new dignity on the world's map, we shall give still greater dignity to everyman in a nation glorified with its own distinction.

The call for strengthening the bonds of friendship and cooperation among the South Asian countries was first uttered from Bangladesh. That cherished objective has not taken shape. The summit of the Heads of State and Government of the seven South Asian countries was held on the soil of Bangladesh in December last. The South Asian Association for Regional Cooperation (SAARC) was born in the capital of Bangladesh. Leadership of this Association symbolising the friendship and cooperation of one hundred crore people of this region had been given to Bangladesh. Bangladesh today is representative of unity of 100 crore people.

The Organisation of the Islamic Conference (OIC) Foreign Ministers' conference was held in Dhaka. The unity of the Islami Ummah was consolidated at this conference. Bangladesh had achieved a higher dignity in the Muslim world.

General Assembly of the United Nations begins in September next. The upcoming UN Assembly will reflect the witness yet another manifestation of the recognition of this dignity of Bangladesh. Bangladesh will assume the presidency of the world body.

Our relations with all neighbouring countries have been elevated to a newer scale on the basis of sovereign equality our ties with all countries of the world are deeper today. Bangladesh, rich with the spirit of the great national liberation war of 1971, today stands with still greater self-confidence. By the side of the peace loving and freedom loving people of the world including those of Palestine, Namibia, Afghanistan and Kampuchea. Bangladesh today is the recognised voice of the deprived peoples of the world.

Dear countrymen,

Ever since I had taken over the administration of the country I have said time and again that the Martial Law was not a long-term or permanent arrangement for any country. I said my government and I believe in democracy. I also said that our objective was to establish a multi-party democratic society and to restore the constitutional rule on a firm institutional framework.

I have said, this is a Martial Law with a difference. The Martial Law had to be promulgated due to unavoidable reasons. But we have not abrogated the Constitution. We have suspended it. We did not want to throw the country into a Constitutional vacuum. When we announced our decision to hold elections on the basis of suspended Constitution some quarters proposed to amend the Constitution itself. Even some suggested holding of election, not on the basis of suspended Constitution but through a Martial Law decree. But I stood firm on the issue of Constitution. I told them clearly, we would not amend the Constitution by the power of Martial Law. The jurisdiction of amending the Constitution lies with the elected representatives of the people. Our allegiance to democratic system inspired us to take this stand.

From this realisation I had promised, when I took over the responsibility of the government, that we would return to a democratic system within two years. I had said that power would be transferred to elected representatives in phases. I believe that in order to ensure absolute sovereignty of the people and to make the democratic system complete power should be handed over to peoples representatives from the lower levels upto the national level.

Being true to my thinking and promise, I had first arranged for the elections of the union councils and the municipal councils. In the second phase, elections for the Upazila Chairmen were scheduled for 24th March, 1984. In the third phase date for the presidential polls was fixed on 24th May, 1984 keeping up with the suspended Constitution and application of the procedures of the 1978 polls. Some of the opposition groups and parties expressed their reservations about the decision of the government and demanded that parliamentary polls should be held before any other elections. In the interest of social amity and political harmony which my government placed above everything, the schedules for elections of the Upazila Chairmen and the presidential polls were declared postponed.

In keeping with the opinion of the Opposition parties and in honour of the suspended Constitution, we decided to hold the presidential and parliamentary polls on the same day. The polls date was fixed on May 27 and we expected that all quarters would accept our decision in its right perspective and without being emotional. But our hopes were not fulfilled and the polls had to be postponed once again.

My government and myself, then, invited the opposition parties for a national dialogue in the interest of political amity and understanding. We have always believed that delay in the peaceful transition to democracy would never do any good for the country and the nation.

During my national dialogue myself and my colleagues had talks with over 50 political parties. We had tried to understand their attitudes on the issues of elections and transition to democracy. The main political parties including the alliances had participated in the dialogue. They had informed us of their demands and stands regarding elections both verbally and in writing.

We had analysed their demands deeply and announced the decision of holding the parliament elections first as they had demanded with a view to honouring their opinion and to be faithful to our promise for restoration of democracy in the country at the earliest possible time. I had also realised their main preconditions and demands with a view to creating an atmosphere for holding free and fair elections.

Inspite of that the two opposition alliances had taken decision not to take part in elections which had really surprised the countrymen. The elections was postponed again. YAu are sure to remember as to how and why the elections had to be postponed at that time and why we had to go for reimposing the parapharnelia of military rule which had been withdrawn earlier.

They said that the reasons of their boycotting the elections then was that without the complete withdrawal of Martial Law the electwons would not be free and fair. But they knew it very well that if Martial Law is withdrawn there will be a legal vacuum in the country. On this realisation of the reality, one of the component parties of an alliance had participated in the elections in 1970, 1978 and 1979 under Martial Law. Another main component of the other alliance did participate in the election under Martial Law while it was in power. Moreover, there was no mention of the point of withdrawal of Martial Law in their verbal discussions and the charter of demands they had submitted during the dialogue.

I have travelled from one corner of the country to the other. I have visited villages after villages and also mills, factories and farms. I have talked with the people from all quarters. I have talked to peasant and workers, to students and the youth, women and professionals.

They want social peace and economic progress. They have said one of the main aims of our great independence struggle is a democratic state system. They want elections. They have agreed with me that there is no alternative to elections for transition to democracy. Those who talk of transition to democracy by avoiding participation in the polls, in fact, want to push the country in a state of chaos. It is my belief the countrymen, and the democratic loving political parties and organisation will not allow our dear motherland to fall prey to such a state of chaos and anarchy.

Four years of Martial Law is going to be completed. It is no longer desirable that Martial Law to continue for whatsoever reason. I have already said election will be held by the first half of the current year. We have decided to hold the Jatiya Sangsad election in the last week of April this year by honouring the will of the people and our commitment. The Election Commission will announce the election date and schedule.

The Opposition parties had demanded holding of Janya Sangsad elections first. Giving due honour to their opinion I had arranged Jatiyo Sangsad election on April 6 last year. With the sincere wish that opposition parties should participate in the polls with honour, this time too we have decided to hold the Jatiya Sangsad election first.

We had taken certain significant steps last time so that the opposition could contest the election with confidence. Their main conditions were fulfilled. This time too we are ready to take similar steps. I hope all opposition parties will participate in the coming polls. It is my belief and confidence that all concerned will extend total cooperation to my sincerity and endeavour to take the country to a democratic path so that well collectively could establish a solid base for a democratic system for the future generation. Since the independence till today the path of establishing and maintaining a democratic system was never smooth and easy.

Democratic efforts have time and again been hindered by indiscipline and anarchism that stemmed from lack of democratic political organisation and strong, economic foundation. I have told it before and I assure again all steps would be taken to ensure that polls are held in a free and fair atmosphere.

I declare that if the Opposition parties join the election the following measures would be taken from the date of filling nominations under the polls schedule of the Election Commission:

1) Any member of the cabinet who will want to contest the polls will have to resign.

2) All Zonal Martial Law Administrators and their subordinates and offices will be abolished;

3) All Martial Law courts will be abolished.

My dear countrymen,

Party is above any individual and the country is above the party. I will expect we will forget all contradictions and malice and rise above all difference of opinion and will not fail to show respect to the country, to the nation and to the people and their democratic values and above all to the spirit and aspirations country towards a prosperous future and to mobilise the ten crore people towards that goal. Today we need national unity, consensus and national unity.

I want to call upon all political parties and the people, let us come forward to prove before the world through peaceful transition to democracy through the elections, that we are firm in our resolve and unshakable in our national unity.

Political Parties, Leaders React

Dhaka THE BANGLADESH OBSERVER in English 3 Mar 86 pp 1, 8

[Text] Different political organisations and leaders in the reaction to the President's address to the nation on Sunday evening said the address had frustrated the whole nation and it failed to reflect the hopes and aspirations of the people.

Bangladesh Wami League, Bangladesh Nationalist Party, Bangladesh Krishak Sramik Awami League, Jamaat-e'Islami students Fronts of these organisations brought out a number of processions in different parts of the city protesting the President Ershad's address to the nation on Sunday evening. The processionists chanted slogans opposing the holding of elections under Martial Law.

The 15-Party alliance in its immediate reaction to the address of President Ershad on the Jatiya Sangsad Elections said on Sunday night that the Presidents address to the nation is unclear uncomplete and did not reflect the hopes and aspirations of the people. The alliance observed that his statement regarding the election to Jatiya Sangsad was inconsistent with the demands of the alliance. The alliance made it clear that they were ready to participate in a meaningful election to be held in accordance with the demands of the alliance.

A spokesman of the alliance said that they were determined to realise their demands through movement.

The 15-Party alliance gave its reaction at a meeting held on Sunday night with Seikh Hasina in the chair.

Awami League President Sheikh Hasina said in her reaction that there was no reflection of the hopes of the people in the President's address and it was incomplete and unclear. She said that it was clear from his address that the President was not keen to hold a meaningful election and did not say any objective things in his speech.

Sheikh Hasina said that she made her demands clear in the rally on February 24 which had not been reflected in the President's address and those had been ignored, she lamented.

The Awami League chief said that her party was keen to go to polls and for that a congenial atmosphere must be created. She also said that the elections must be meaningful. Sheikh Hasina said that farcical elections are being held at the cost of huge money. But those elections failed to fulfill the hopes and aspirations of the people, she added Sheikh Hasina said "we want an election in which hopes and aspirations of the people would be fulfilled and establish the rights of the people. She expressed her determination that the movement for holding the elections after fulfilling 5-point demand would continue.

The BNP and seven-party alliance leaders were in meeting and they could not be contacted for their reactions till the writing of this report.

Mirza Golan Hafiz Senior Vice President of BNP was, however, available. He said that the President's address had frustrated the nation and it was not acceptable to his party. He said that his party and the seven-party alliance demanded resignation of the government and it was not conceded in the speech. He said the free and fair election was not possible under the present government as the President himself was partisan. He said the movement for ensuring a free and fair polls would continue.

Mushtaque's Apprehension

Former President Khandaker Mushtaque Ahmed said that there was no alternative to elections. But he said for establishing a representative government the elections must be held free from government influence. He regretted that there was no indication in the President's address that the elections would be held free from government influence. He said President Ershad had lost his credibility following the postponement of elections thrice and non-fulfillment of his commitments in political dialogue. Therefore he said it was not possible to expect a free and fair elections under this Government. He said Jatiya Oikkya Front would go ahead with its civil disobedience movement.

Mr Abul Bashar and Mr Rashed Khan Menon President and General Secretary of Bangladesh Workers Party and Mr Shahjahan Siraj and Mr Hasannul Huq Inu in separate statements denounced the President's address and said his speech would further deteriorate the political situation in the country. They said that there was no indication of holding the elections under a neutral government and any elections to be held to fulfill the blue print of the Government.

Kazi Kader, President of Bangladesh Muslim League in his reaction said that it was frustrating for the whole nation and there was no assurance in the speech that the elections would be free and fair. He said that if the free and fair elections were not held Muslim League would not participate in the elections.

President of Janadal former Minister Mr M. A. Haque said the address is totally frustrating for the whole nation. He said that the measures announced by the President in his speech would not ensure a free and fair elections. He regretted that even the President had not ensured the pre-March 1985 situation. He said the political ministers under the present situation would influence the elections by misusing their official power. He also said that President had not announced his neutrality in the elections which was the demand of the whole nation.

BSS adds: The Jativo Party Parliamentary Board at a meeting on Sunday expressed the hope that the opposition political parties would play its due role in the transition to democracy from Martial Law by participating in the election.

Congratulating President Ershad for his address to the nation the JPPB meeting said the President had once again proved his sincerity to hand over power to the public representatives through election. The President also assured to take all possible measures by the Government for holding free and neutral election by creating congenial atmosphere. In fact the President had accepted once again all the demands of the Opposition and urged the Opposition to participate in the election.

The President of Jativo Jubo Sanghati and Deputy Minister for Youths and Sports Sheikh Shahidul Islam and Sanghati's General Secretary Mr Saifur Rahman hailed President Hassain Mohammad Ershad's address to the nation which they said would help contribute to the establishment of democracy.

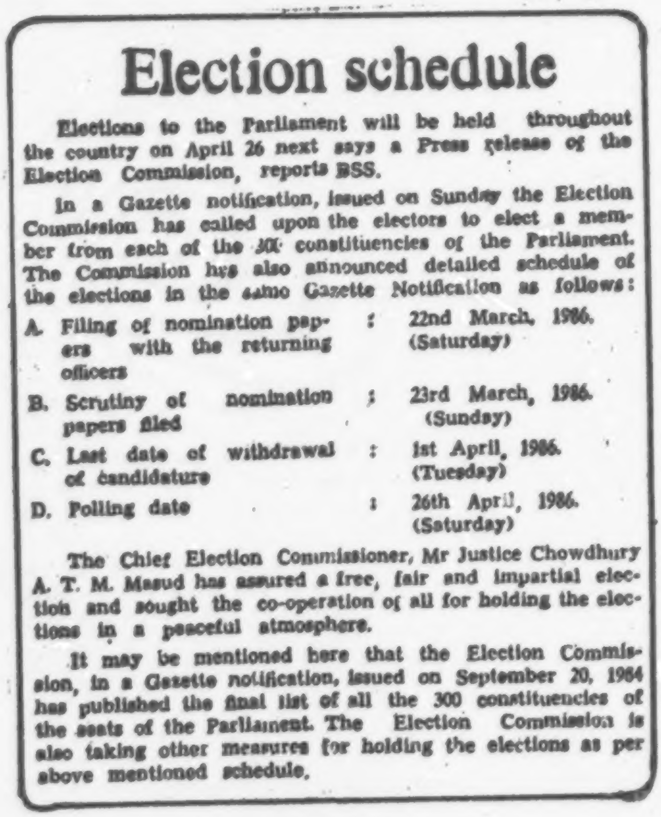
They in a joint statement urged the people including the youths to extend cooperation for the success of the President's programme for transition to democracy from Martial Law.

/9274
CSO: 4600/1535

DETAILED SCHEDULE FOR ELECTIONS ANNOUNCED

Dhaka THE BANGLADESH TIMES in English 3 Mar 86 p 1

[Text]



Election schedule

Elections to the Parliament will be held throughout the country on April 26 next says a Press release of the Election Commission, reports BSS.

In a Gazette notification, issued on Sunday the Election Commission has called upon the electors to elect a member from each of the 300 constituencies of the Parliament. The Commission has also announced detailed schedule of the elections in the same Gazette Notification as follows:

A. Filing of nomination papers with the returning officers	:	22nd March, 1986. (Saturday)
B. Scrutiny of nomination papers filed	:	23rd March, 1986. (Sunday)
C. Last date of withdrawal of candidature	:	1st April, 1986. (Tuesday)
D. Polling date	:	26th April, 1986. (Saturday)

The Chief Election Commissioner, Mr Justice Chowdhury A. T. M. Masud has assured a free, fair and impartial election and sought the co-operation of all for holding the elections in a peaceful atmosphere.

It may be mentioned here that the Election Commission, in a Gazette notification, issued on September 20, 1984 has published the final list of all the 300 constituencies of the seats of the Parliament. The Election Commission is also taking other measures for holding the elections as per above mentioned schedule.

/9274
CSO: 4600/1536

EMIGRE PAPER ANALYZES NEW OFFENSIVE LAUNCHED BY REGIME

London KEYHAN in Persian 20 Feb 86 p 2

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text] Three years ago, when the offensive operations called Al-Fajr (The Dawn) began, the official propaganda agency responsible for the war declared that "this is the last military operations" to bring the Iraqi regime to its knees.

But there was no dawn. Al-Fajr was not the last operation. It was from the second major operation that they began numbering Al-Fajr's. The latest offensive being number eight in this long war.

Mir Hosein Musavi, prime minister of the regime says that this war will be continued even if it is going to last twenty years. Twenty more years!

In this day and age, where war technology and deadly weapons have given new meaning to the expression "superkill" in military and political vocabulary, it requires above normal imagination to think of the casualty figures and destruction that such a war will cause above and beyond present disasters.

It should be noted that the two regimes are using weapons, not made by them, to take the lives of each other's youth. The oil money and manpower come from Iraq and the Islamic Republic, but the weapons come from others. The Prophet of Islam could not imagine in his wildest dreams--that one day, two Moslem nations, with such ruthlessness, could kill and butcher each other.

What Khomeyni has been doing to Iran and Islam have not been done by any foreign enemy or heretics.

Similarly, the profits of this devastating war for weapons manufacturers and arms dealers--legal and illegal--have been one of the most valuable.

It does not take great insight to see that behind their grim faces the leaders of many countries are indeed happy with this situation. And it is not surprising that the mass media in those countries, from time to time, work on the egos of Khomeyni and Saddam Husayn.

Propaganda in these countries visibly shift its positions according to their political pendulum with respect to this war between two neighboring and brother countries.

One day the Islamic Republic seems so powerful that the "genie" of the revolution covers great distances and swallows everything from Basra to Jerusalem.

The next day, the armies of Iraq become so well-trained that they can withstand not only pressures of armies of the Islamic Republic, but any other aggressor as well.

One day both regimes must say farewell to power and leave. The next day, the ayatollah falls and Husayn remains. But then, a while later, Saddam's fate is hanging by the skin of his teeth and as far as the imagination can stretch, it is the ayatollah's regime that lives through the centuries and time.

These tricks and propaganda ploys of the western media are done quite expertly. This is a fact deserving to be noted but not to be grieved over because their place of moral values, in the politics of those countries which are considered heavy weights in the international game, has been empty for quite some time.

But we should grieve over the fact that our people, their ears turned on foreign radios and their eyes locked on foreign publications, believe all of this and consider the information "good-as-gold." This is an important front one in which Iranians must combat in a long and revealing war.

The harsh reality is that Iraq can never defeat Iran. It cannot even occupy a small part of our homeland for a very short time.

Another harsh reality is that the Islamic Republic cannot defeat Iraq, either. The war policy is being pursued--aside from the stubborness of the ayatollah--because its leaders lack the ability and knowledge of running the country. The saber-rattling on the front, which is costing the lives of thousands of youth and wasting billions worth of our country's wealth, is only a cover for this internal weakness.

The Islamic Republic, as much as it is a "killer-cancer" for Iran, can hardly be considered troublesome for the powers that are weary of Iran or Iraq becoming powerful.

If we were to choose only one statement made about this war as the nearest to the truth it would be Dr Kissinger's words who said: "It is a pity that there cannot be two losers in this war."

This wish has been the cause for the selection of two completely different political tactics concerning this war by the Islamic Republic and Iraq. The Islamic Republic has tried to avoid to internationalize the war and has concentrated all its power to destroy Saddam Husayn. Iraq, on the other hand, tries to internationalize the war and drag in others to confront the Islamic Republic.

Despite all this, neither has Saddam been brought to his knees nor has the war been internationalized.

12929/13182
CSO: 4640/207

GOVERNMENT ACCUSED OF NEGLECTING NATIONAL PROBLEMS

Lahore, NAWA-I-WAQT in Urdu 1 Jan 86 p 3

[Article by Ibnul Hasan: "The Same Old Ineffective System"]

[Excerpts] Traditionally, all prime ministers in Pakistan have been presidents of the ruling party. Our political structure never gets out of the four walls of the national and provincial legislative assemblies. Each government passes on the management of the country to the hands of bureaucrats and the opposition after it has finished its quota of time for ruling the country. Each government uses the police, with their sirens and whistles, and fear of the army to rule the common people from Olympian heights. The problems in the country multiply with each government and these problems are blamed on the people. This relationship is never changed. Whenever a national problem is discussed, the government complains about its limited resources and tells us that solutions to these problems will require a long time and asks us to be patient. Time passes, months change into years and our patience is exhausted. Nothing happens in any province or city or village. However, new problems show up! Life becomes harder, faith in government decreases and hate for it increases.

Eight years passed without any elections. During the martial law rule, we talked a lot about solving our national problems. The government, however, made politics its number one issue. A martial law regime is considered revolutionary. It has no fear of any court, neither has it to please a parliament. It is neither accountable to the people nor does it have any restrictions. People had hoped that during the martial law regime there would be cleaner cities, paved roads, protection by an efficient police force, a better-organized bureaucracy, smooth running traffic, better-managed educational institutions and an end of all corrupt practices. It did not happen, however. If such reforms are possible during a martial law regime, would not we call it an ideal form of government? After 8 years under the blessings of a martial law government, we should have been convinced of its efficiency [provided there was any]!

Our hopes were raised again when our own representative sat in various assemblies after 8 years of martial law. Our prime minister is known to be an honest and sincere man so, once again, we began to hope for the aforementioned improvements that the martial law regime failed to make because it was not a representative government. But between March and December 1985, all our government did was pass the Eighth Amendment and Political Parties Act. There appears to be no obstacle in getting luxury items for our ministers. Whatever they want is provided from our national resources. No attention is given to national problems. Charity, for them, begins at home! Of course, the biggest national problem they had was martial law. How could they do anything until this problem was taken care of? As if martial law had tied our new government's hands. As long as there was martial law no public welfare project could be implemented, no law could be passed and no plans could be made! By the grace of God, martial law was lifted on 30 December and the labor pains started. A new Muslim League was born and the whole government got busy with mothering it. Let us see when this government decides to do things that it actually should be doing.

How will these projects be identified? Some progress in this direction has been made. In other words, some commissions have been appointed. This system of commissions is well known. These commissions meet often, money is spent on travel and per diem of the members, seriousness and sincerity of the government is communicated and then reports and recommendations are published. Each commission requires a year or more to do its work and when a report or recommendations from a commission are sent to the government, it is too busy even to read them. The prime minister and cabinet members do not have time to study these reports. Even reviewing such reports requires certain skills. The policy here is that anyone who disrupts our comfort is our enemy! These commissions do not offer any panacea. They present the same old unrealistic recommendations. This way nobody is hurt. Every person gains something. They can have their cake and eat it too!

The main purpose of establishing commissions is to gather information. What hidden information is there that the government cannot see? What problems are there that any person cannot point a finger at? The real purpose of commissions is just to give some consolation to the people. The problems, of course, are not solved due to lack of resources! We need resources to eliminate graft. If we have enough foreign exchange, minerals, electricity, water and technology, then we can eliminate graft and corruption! Similarly, we need these resources to streamline our traffic, pave roads, build bridges, stop crimes, bring peace to our educational institutions, stop smuggling, curb aduleration of foodstuffs and get rid of lawlessness! We cannot even reform our character and social structure without these resources!!! A daring man once said that a nation is not built by various resources but by strong-willed men with good decision-making skills and willingness to risk their lives. Such leaders do not make excuses; they mobilize the masses and change the character of the nation.

7997/12955
CSO: 4656/49

BALUCHISTAN'S POLITICAL SITUATION EXAMINED

Lahore NAWA-I-WAQT in Urdu 1 Feb 86 p 2

[Report from Quetta by Aziz Bhatti]

[Excerpts] In Baluchistan the people have not taken kindly to the formation of the Muslim League by the ruling party. The members of the Assembly, who had to join the League because they were in the government, go about their jobs rather shame-facedly, as if they had joined the League for an ulterior purpose. Even the old Muslim Leaguers are not pleased. The ruling Muslim League has been nick-named "Government League" as if not accepted as the real Muslim League at all. Having seen the results of the experiments done with the Republican Party and the Convention Muslim League before this, the political observers do not pin much hope to the success of the Muslim League as the ruling party. Some of them state their doubts openly, saying that all political parties, including the Muslim League, are useless in democracy. One political circle thinks that the government is only trying to gain time in order to avoid the mid-term elections. Politicians are waiting for the decisions of the MRD to give them a clear picture of what the future holds for the country. The municipal elections will take place in 1987, and all parties, including the ruling Muslim League, will get 1 year to organize their own party elections. In this way the municipal elections can take place on a party basis, and the government will get an idea of how each party stands with the public. Thus the government will be able to decide whether or not the mid-term elections should be allowed to take place. Even if the government insists on having the municipal elections on a nonparty basis, it will not be difficult to assess the extent of public support for each political party.

In Baluchistan the political parties included in the MRD have started their activities. The parties whose offices had been sealed have broken the seals and opened the offices. The parties whose offices have not been re-opened are starting new ones. When the political parties were banned, the PPP had no office worth the name. They used the store-room of a hotel as an office. Now this party wants to create a provincial secretariat. The provincial office of the Tehrik-e-Istiqlal was situated in a building owned by Mr Khuda-i Noor which had been sealed. When Mr Khuda-i Noor demolished that building and got a new three-story one built, the matter of the sealed office was finished. Now Mr Khuda-i Noor is making a new office here. This building has even been named the "Istiqlal Building." Similarly, a leader of the Tehrik has named a building which is his property "Istiqlal Bazar." Jamaat-e Islami changed its name when martial law was imposed. That is why its office remained open even during martial law. The Muslim League had no office at all. The NDP [National Democratic Party] and PNP [Pakistan National Party] had offices only in name. The workers of these parties preferred field work to working in offices. The office of the Jamiat-e Ulema-e Islam was housed in a school on Borari Road.

The new political activities include gatherings of the PNP which have been addressed by Mr Ghaus Bux Bazenjo. A joint meeting of the NDP, PNP and Pakhtunkhuva took place in Larkana to protest against the firing on the students in Zhob. Pakhtunkhuva and the NAP [National Alliance of Pakistan] had a meeting in Chaman. The Muslim League has not had a meeting. At present, the activities of these parties are limited to press conferences and making statements to newspapers. They may start other activities in the future.

12476/13252
CSO: 4656/51

COMMENTARY ON PPP CONFLICT IN PUNJAB

Lahore NAWA-i-WAQT in Urdu 1 Feb 86 p 2

[Report from Multan by Sheikh Riaz Pervez: "Inner Conflicts of PPP"]

[Excerpts] It is rumored that Malik Ghulam Mustafa Khar will soon be coming to Pakistan and that he intends to join hands with Ghulam Mustafa Jatoi to form a new political party in the country. He is said to be trying to find an excuse for breaking loose from the PPP. Mr Khar says that he wants to stay in the PPP, but must first deal with the group that caused a rift between him and Mr Bhutto during the latter's lifetime. He says that he wants to stay in the party with dignity. It is a fact that the PPP is and has always been a center of trouble and turmoil. As far as Mr Ghulam Mustafa Khar and Mr Ghulam Mustafa Jatoi are concerned, we are getting all sorts of conflicting reports about them. Those who are opposed to these two leaders hold that since nobody under the age of 40 can become the leader of a ruling part, Miss Benazir Bhutto, who has just turned 33, wants the party to wait until she comes of age and can control the party as well as the government. She, it is said, has no confidence either in Mr Khar or Mr Jatoi. She wants the PPP to keep its present tempo as an opposition party until she herself has come of age and can head the government legally. The group opposed to Mr Khar and Mr Jatoi holds that these two leaders are not willing to accept this situation. They are not willing to wait for 7 years and do not accept Miss Benazir Bhutto as their leader. The supporters of Mr Khar say that the communists are in favor of "confederation" and that the Sheikh Rashid group is trying to use the Bhutto family for its own ideological purposes. The communists, it is claimed, are trying to use the PPP and the deplorable death of Mr Bhutto for the propagation of their brand of "scientific communism" in the country. Khar and Jatoi, it is said, are the chief obstacles in the path of these communists, who are trying to give the Bhutto family a bad impression of these two leaders. These communists, is it said, are trying to destroy all the democratic traditions in the country. They are spreading turmoil and lawlessness so that they may grab power by means of aggression as is the method of the communists the world over. Mr Khar says that these very people, with these very methods, caused the downfall of the PPP and the death of Mr Bhutto. Now, he says, this group, after destroying Shahnawaz Bhutto, are trying to sacrifice Murtaza and Benazir Bhutto at the same altar of their own ideology.

In this battle of accusations and counter-accusations, nobody seems to remember the purpose for which they are striving. The PPP has workers and votes in abundance, but its leaders, instead of leading it on the path prescribed by Mr Bhutto, are pulling it to their own separate goals. Each leader wants to use the remaining fatherless children of the Bhutto family for his own selfish purpose.

12476/13252
CSO: 4656/51

PAKISTAN

BANKING URGED NOT TO POLITICIZE HEADQUARTERS LOCATIONS

Lahore NAWA-I-WAQT in Urdu 7 Feb 86 p 3

[Editorial]

[Text] Talking to newsmen in Lahore, the chairman of the Pakistan Banking Council, Mr M.R. Khan, said that the demand for shifting the headquarters of government controlled banks to provincial and federal capitals was politically motivated. He also warned that moving the headquarters of any bank from Karachi to any other part of the country will have disastrous effects on the national economy. This statement of the respected chairman is contrary to facts inasmuch as this demand has been voiced for years by the chambers of industry and commerce in Lahore, Peshawar, Faisalabad and Multan. This demand was made even in those days when political activity was suspended and even banned. The basic reasons for this demand are the practical difficulties and problems that industry and commerce all over the country face in obtaining loans and in having repeatedly to go back and forth to bank headquarters in Karachi.

These difficulties were acknowledged by the governor of the State Bank of Pakistan, Mr A.G.N. Qazi, in an address to the Lahore Chamber of Industry and Commerce only a few days ago. He disclosed that the additional powers that had been granted to regional officers of these banks had not been successful in alleviating the difficulties and that the people in industry and commerce who need loans still have to journey to Karachi. The respected governor also opposed the transfer of bank headquarters to other places. He said a proposal was under consideration to expand boards of governors of every bank under government control to ensure that at least one member of every board will be stationed in every provincial capital. The chairman of the Pakistan Banking Council too has referred to this proposal, but in view of the tradition of centralization which has become established and, in fact, entrenched, there is very little hope that, by acting on this proposal, a way would be found to rid the country's industry and commerce of the difficulties and frustrations. In this context, it would not be improper to ask the chairman not to look for political motivations behind a valid and increasing demand. It is in his capacity as a banker that he should examine this demand of industry and commerce from all over the country. He is not a politician and he should not involve himself in any kind of politicking. The real issue is the strengthening of industry and commerce and removing any difficulties and frustrations in its way. Not to mince words, the point is that banks should advance loans in proportion to deposits from the regions. In this connection, the statistics issued by chambers of industry and commerce in Lahore and elsewhere in the country have remained unchallenged to date. Instead, the concerned interests have sometimes used the feeling of deprivation in Sind as a shield and, when this move does not work, they resort to such objections as would not be wrong to describe as politicking.

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AFGHAN REVOLUTION SAID SPREADING TO PAKISTAN

Karachi JANG in Urdu 10 Feb 86 pp 3, 14

[Article by Nafees Siddiqi]

[Excerpts] Geneva talks resume in March. Pakistan is hoping that Kabul will announce a timetable for departure of Soviet troops lest the Karmal government fall. Is the Karmal government really so weak? If we consider this question, then the situation appears like this:

Poor peasants who have been given land are now reaping harvests and they are armed to protect their possessions.

By repairing and beautifying masjids, the government is according respect to religious scholars. The religious preachers are now preachers of revolution, which, through them, has reached tribal areas.

Until a few years ago Afghanistan was among the most backward countries in terms of education, but today its literacy rate is over 70 percent.

Local educated youth have taken control of the state bureaucracy.

The Afghanistan army has assumed responsibility for the defense of the country. In 2 years, the presence of Soviet units will become unnecessary and it is quite possible that Karmal might surprise the world by unilaterally announcing a schedule for withdrawal of Soviet forces, or Gorbachev might make this announcement.

All these indicators point to the fact that it is not the Karmal government but the other side that is getting weaker. Difficulties are diminishing for the Karmal government but are mounting for the other side. Not much is needed to prove this.

Four years ago explosions used to rock the Kabul airport. Today peace reigns there and explosions take place near the Peshawar airport.

Four years ago, Karmal government used to complain that we were providing arms to its rebels.

Now it is we who complain that Pakistani rebels are being given arms.

A few years ago, the Afghanistan people used to come here to take refuge.

Today, Wali Khan, Koki Khel and Khan Abdul Wali Khan are cautioning people to flee to Afghanistan.

This brief analysis shows on which side difficulties are diminishing and on which side they are increasing. After this, is it necessary to say that the Karmal government is in no hurry for talks and the Soviet Union is not impatient for defeat? In my opinion, when in Geneva Gorbachev expressed a desire for change in the Afghanistan situation, what he meant was that the time for destabilizing Afghanistan is past and it would be best to stop the bloodshed. Americans interpreted it to mean that the Soviet Union is ready to capitulate. This could have been done deliberately. After all, what does America stand to lose if the conflict does reach Frontier Province? The Soviet Union, however, will get further bogged down. Just as, by compelling the Soviet Union to send troops into Afghanistan, America took Arab states into its fold, similarly America may now want to consolidate its influence over India and China by involving the Soviet Union in the Frontier Province. But it is not necessary that the Soviet Union act in accordance with American expectations. By strengthening the defenses of Afghanistan, the Soviet Union is in a position to wait and would definitely do so.

On the one hand, by becoming part of a strong society and a strong government structure, a divided and tribal Afghan nation is emerging into a united and enthusiastic Pakhtoon nation. Not only this, but it has begun to convert to its side Pakhtoons from Pakistani tribal areas. On the other hand, by keeping people deprived of participation in national affairs, Pakistan is digging a grave for centralism. Across the Khyber, unity is growing while, on this side, unity is weakening. One should pity the understanding of those people who cannot see the dangers inherent in this situation. By holding demonstrations over an internal issue of Pakistan, Afghan refugees have given an inkling of the shape of things to come. Soviet and Afghan experts too must have taken note of it. These refugees are armed to the teeth, they have training and their spirit of holy war is at a pinnacle. A couple of Soviet or Afghan agents can take any sort of faction against any units of mujahidin near Peshawar and divert suspicion onto the citizens of Peshawar. After that, holy war will commence against them and, in the words of Wali Khan, they will be observed fleeing toward Tor Kham. By similar means, Israel had managed to murder half the population of Lebanon. If we keep on needling the Soviet Union, will they not try such a tried and tested move? If, God forbid, such a holy war erupts, then the entire capitalist structure will collapse. This is a very critical time. This is a very explosive situation. The present Afghan policy is a harbinger of very disastrous results. I sincerely request that the situation in the country be reviewed afresh and without any further delay so that unity may be brought about and all elements may join together to face the calamity which we have brought on ourselves. And this calamity is the Afghan issue. Even after recognizing the Karmal regime, this issue will be difficult to resolve. This issue has become very tangled. By maintaining confrontation with the Karmal government, we will very soon get entangled in far bigger problems. Problems will rise, not only in the Frontier Province, but also in Sind, in Baluchistan, in Azad Kashmir, and these will be terrible problems. Those to whom Pakistan is dear and whose children's future is linked with this holy land, should become aware of these dangers and should try to save Pakistan. This is not the time when we can play games of the fifties.

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INDIA'S SINCERITY IN BEFRIENDING PAKISTAN DOUBTED

Lahore NAWA-I-WAQT in Urdu 11 Feb 86 p 2

[Editorial: "Rajiv Gandhi's Pakistan Visit"]

[Text] A reliable source in India informed us that Rajiv Gandhi will not be able to tour Pakistan as scheduled. According to this source, it is not possible for India to sign a peace treaty with Pakistan when it is providing help to Sikh extremists.

Knowing India's tendency to cry wolf when it comes to Pakistan, we are not surprised at this new development. India has always tried to find ways to avoid having peace in the subcontinent. Whenever Pakistan extended its hand for friendship, India had withdrawn its own at the last minute. The latest example of this tendency is the postponement of Rajiv Gandhi's proposed tour of Pakistan at a time when even Indian people admit the success of the recent cabinet level negotiations between the two countries. Actually, the young prime minister of India is procrastinating. The Indian government issued an outright denial when news of his visit to Pakistan was first published. After great difficulties, this trip was finally "confirmed" and he was expected here in February. Suddenly India remembered Pakistan's help to the Sikh terrorists.

The real reason causing the rift between the two countries is not "extremist Sikhs" or the "Kashmir problem" or the "atomic program." It is the 1000-year history of two religious groups. Neither Hindus nor Muslims can forget it. India's self-styled role as a "mini power" in this area has complicated this affair even further. It wants to coerce its neighbors into submission with the help of one superpower, the Soviet Union. The other superpower, the United States, has given India a long rope in the Indian Ocean because of its vested political and geographical interests. Several U.S. foreign affairs officials visiting Pakistan have hinted on this development. The recent Indo-United States pact for providing modern computer technology to India will also help India realize its dream of becoming a "mini power." India sees stable relations with Pakistan as a deterrent to realizing this dream. The truth is that Pakistan imagines in vain that India, which never recognized its existence, will ever be friends with it or keep a friendship pact if it signs one. The young prime minister of India also has some personal and family obligations in this area. He inherited his mother's tradition of hating Pakistan. He cannot be sincere in his efforts to befriend Pakistan. Pakistan also has some responsibilities that it cannot ignore. India has annexed some Pakistani areas by force. Then there are our Muslim brothers whose treatment by the Indian government or the majority Hindus is something we cannot ignore. These are the major reasons deterrent to bringing peace to this subcontinent, and India is to blame for that.

Nobody can deny the need for peace. People in both Pakistan and India are suffering from poverty and backwardness. A country can progress only during peaceful times. But what is the price of peace? Being an Islamic country, we have different responsibilities. If we cannot follow Islamic decrees, we have to keep our national pride at least. We have to pass on our history to the next generation without any stigma attached to it. A power that does not even accept your existence will befriend you only to obliterate you. Let us prove to the world that Pakistan was established to last and thwart all attempt by any country to the contrary!

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WALI KHAN, TUFAIL MOHAMMAD SEEN SPREADING FACTIONAL STRIFE

Karachi AMN in Urdu 11 Feb 86 p 3

[Jumma Khan's column]

[Text] Khan Wali Khan, leader of the National Democratic Party, has made such remarks about the situation in the Frontier Province that the government as well as every patriot in the country should take not of them. He said: 1) The government is patronizing the Jamaat-e Islami. 2) The Jamaat misappropriates most of the money and military aid that the United States is giving for the Afghan refugees. The arms and ammunition sent by the United States are resold at a high price. 3) The Jamaat has joined the Afghan refugees in a sort of civil war against the people of the Frontier Province. 4) Arms are being collected and we (Wali Khan and his helpers) have decided to make an appeal to the people to form defense committees in every village in the region. 5) The Jamaat should be told to stop instigating the Afghan refugees to get involved in local politics. 6) The workers of the Jamaat are preparing "hit lists" of their opponents. "We will not," says Wali Khan, "live as slaves of the Jamaat. We shall fight back at every step."

Mian Tufail Mohammad, the leader of the Jamaat-e Islami has said in answer: A leader of the Frontier province has been frightened by the popularity of the Jamaat in the region and has started making crazy statements against Islam, Pakistan and Jamaat-e Islam. "These people," says Mian Tufail Muhammad, "have prepared a 'hit list' of those who believe in the Islamic way of life. They are blaming the Jamaat in order to hide their own evil intentions."

Before we pass judgment on this situation, we have to admit a few facts.

1) The government has been partial to the Jamaat-e Islami and the Jamaat has never said a word of criticism against the rule of General Zia. Even when General Zia said that, if circumstances allow, the mid-term elections may be held, Mian Tufail Mohammad had warned that any change in the form of government before 1990 would make Pakistan politically unstable. Which means that if General Zia is removed from power the country will become weak.

2) Jamaat-e Islami admits that it is receiving aid from the United States but has always denied any embezzlement, claiming that something is always

added to it before it is distributed among the Afghan refugees. Mr Wali Khan says that if one political party is permitted to receive dollars and arms from one super power, why can another political party not get arms and money from another power?

3) The media have been publishing news about the Afghan refugees becoming involved in the politics of the country. Mr. Wali Khan says that a state of tension can be seen in the province that can lead to a civil war. If nothing is done about it, says Wali Khan, he, with the people of the Frontier Province, would have to think about migrating to Afghanistan. It is hard to follow Mr Wali Khan's logic. How can he migrate to Afghanistan? His stand shows that he and his followers have a very weak position in the province. The total number of Afghan refugees in the province does not exceed two million, which is not even one-fourth of the population of the province. How can the twenty-percent refugees turn eighty-percent people out of the province? True, the refugees have arms and ammunition, but so have the people of the Frontier Province. There is scarcely a family there that does not possess arms. In such a case, if a minority commits the folly of starting a civil war, it cannot win against the majority in the province, especially when the Pakistan government will not watch it as a silent spectator.

4) Mr Wali Khan says that arms are being amassed in the province, and he has decided to ask the people to form defense committees at every level in the region. Here, again, his policy is hard to follow. On the one hand he says that he is thinking of leaving the country because of the possibility of a civil war; on the other hand, he is advising people to form defense committees everywhere. Does he intend to take part in the civil war and migrate in the case of defeat? It means that first the Frontier Province will be turned into Lebanon, then either the Afghan refugees will capture the province or the people of the province would migrate to Afghanistan. This argument is quite incomprehensible, but students of history and politics know that such things may happen. The Jews turned out the Palestinians from their homes who, despite the sympathy of the whole world, have not been able to free their homeland from the usurpers. When super powers get involved in such matters, they change the history of a nation and the geography of a country. It is quite easy for them to break big countries into small bits: Once Germany was one, now there are two Germanies. Once Korea was one, now there are two Koreas. Once Yemen was one, now there are two Yemens. Once Kashmir was one, now there are two Kashmirs. Once India was one, now it has been divided into three independent countries--India, Pakistan and Bangladesh. Once Pakistan was one, now it has been split into two parts; the other part is called Bangladesh. Very few nations have succeeded in keeping the integrity of their countries after fighting a war of liberation from imperialism. The Vietnamese are one such example. They fought a war of liberty, first against the French and then against the United States, and finally succeeded in uniting North and South Vietnam into one country and one nation.

5) Mr Wali Khan is quite right in saying that the Afghan refugees should not be allowed to get involved in local politics and that they should be

prevented from becoming aggressive. But, instead of talking to the Jamaat, Mr Wali Khan should make an appeal to the government. The government should be alerted to the danger of the Afghan refugees' becoming aggressively involved in the politics of the province.

6) Mr Wali Khan says that the workers of the Jamaat are making hit-lists of their opponents, while Mian Tufail Mohammad says that the followers of Mr Wali Khan are making such lists and that they are forearming themselves by bringing these charges against the Jamaat. Whatever the truth may be, it shows that when two factions are suspicious of each other, they will make hit-lists and ultimately a dangerous situation will arise. Mr Wali Khan has said that when the people of East Pakistan were fighting for Bangladesh, the Jamaat assassinated one hundred radicals in a night. But, he went on to say, the Frontier Province is not East Pakistan. The Bengalis, he said, fought with sticks while the people of the Frontier would fight with guns. Mr Wali Khan has warned the Jamaat that it would be paid in its own coin at every step. The Jamaat, too, can answer in the same manner. Now the situation is: Should the people of the Frontier Province be left at the mercy of those two warring factions? Will the government and people of Pakistan do something now or wait until the flames of civil war have started to consume everything in that province?

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PAKISTAN

MARTIAL LAW BLAMED FOR SIND PROBLEMS

Karachi JASARAT in Urdu 11 Feb 86 p 3

[Editorial: "The State of Affairs in Sind"]

[Text] In several resolutions passed by the Majlis-e Shoora [advisory council] of Sind's Jamaat-e Islami, the martial law regime was blamed for increased prejudice, lawlessness, drug addictions and general unrest in Sind. While we cannot agree totally with these accusations, there is not much we can disagree with either. We have to admit that the third martial law of Pakistan was also its longest. General Zia ruled for 8.5 years, first as the chief martial law administrator and later as president. Had he wished, the country would have prospered. Instead, all Sind experienced was an increase in prejudice, drug addiction, prostitution and depredation of character. Peace and harmony has all but disappeared. Both urban and rural areas are suffering from lawlessness and organized crime. Incidents involving murder, robbery and kidnapping are common and occur in broad daylight. The bureaucracy and the police appear to be helpless. The newly elected government does not seem to have much success in rectifying these problems. New problems appear while the government is trying to solve one. The province is in a critical situation. The legacy of 8 years of martial law is hard to get rid of. Of course, there were problems even when General Zia implemented martial law.

People, however, had welcomed the new regime hoping for things to improve. Zia had made several promises, including holding elections within 90 days and establishing a democratic government. However, people saw the martial law regime evolve gradually into a strong and permanent government. Workers became nervous when trade unions were banned. Restrictive measures such as the ban on student organizations, elimination of political parties and censorship of newspapers soon followed. These restrictions and increase in daily problems made people feel persecuted. The bureaucracy had a heyday during the martial law regime. The whole government was running according to its wishes. Bribery and graft set new records while Sindhis' feeling of deprivation continued to increase. National and local leaders tried sincerely to advise against putting too much faith in the bureaucracy, but the government and its lackeys ignored them. This restlessness and the feeling of deprivation provided a golden opportunity for anti-Islamic and anti-Pakistan elements who wanted a secular or socialist government in Pakistan. Had General Zia held elections within 90 days and transferred power to an elected government and not made political parties inactive, these anti-social elements would not have had the opportunity to lead our people astray. The army and the bureaucracy just cannot understand the people's problems. Political leaders and elected representatives understand these problems, know how to solve them and also can make unpatriotic elements ineffective. Even General Zia has admitted the shortcomings of the martial law regime. He agreed to lift martial law by the end of '85 when Prime Minister Junejo declared in his first national address that a democratic and a martial law government cannot exist side by side.

Now the question arises: How can we alleviate the sad state of affairs in Sind? The present government cannot solve all those problems identified by Jamaati-e Islami's Majlis-e-Shoora. The bureaucracy and its lackeys still want to run the government the way they have been running it for the last 8 years. Prime Minister Junejo and Chief Minister Ghaush Ali Shah have to follow the advice given by political leaders and reform the bureaucracy if they are sincerely and seriously interested in helping the people of Sind.

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END

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SENIOR INTERIOR APPOINTMENTS ANNOUNCED

Cairo AL-AHRAM in Arabic 12 Mar 86 p 1

[Text] Major General Zaki Badr, interior minister, announced the appointment of nine major generals as assistants to the interior minister. They are: Muhammad Ra'fat al-Sayyid (security), Muhammad Husayn Mudin (central region), Mustafa Kamil Ibrahim (state security investigation), Muhammad Hilmi Salah (security forces), Sa'd Muhammad Shams (Suez Canal region), 'Abd-al-Hamid Badawi Ahmad (central Egypt region), 'Abd-al-Tawwab Ahmad Rashwan (southern region), Jamil 'Abd-al-'Alim Abu-al-Dhahab (police organizations), 'Abd-al-Rahim Tawfiq al-Nahhas (central security forces).

The interior minister also announced the appointment of 24 major generals to work as directors of security in the governorates and general directorates in the ministry. The directors of security in the governorates are: 'Abdallah Sulayman Abazah (Alexandria), Ahmad Ibrahim Kuhiyah (al-Qalyubiyah), Salah-al-Din Barakat (Ismailia), 'Atif Najib Zaki al-Sa'idi (al-Jizah), Fawzi 'Abd-al-Wahhab 'Uways (Suez), Muhammad 'Abd-al-Qadir Hafiz (Matruh), 'Izz-al-Din 'Abd-al-Sami' al-Tuways (Port Said), Kamal Isma'il Kamal (al-Minufiyah), Salah-al-Din Muhammad Ghalib (al-Fayyum), 'Abd-al-Wahhab 'Abd-al-Jawad 'Abd-al-'Al (Bani Suwayf), Hasan Kazim Abu-al-'Ala (al-Sharqiyah), Salah-al-Din Hafiz 'Amir (Aswan), 'Abd-al-Zahir Mahmud Hasanayn (al-Gharbiyah), Ahmad Ibrahim Shawkat (al-Daqahliyah), Ahmad 'Abd-al-Ghani Shandi (al-Buhayrah).

The directors of the general directorates are: Hasan Al-Sayyid Sulayman (police communications), Yusri Muhammad Khalil (recruit affairs), 'Abd-al-Khaliq Abu-al-Sa'ud (Alexandria harbor police), 'Amr Ibrahim al-Nahhas (elections), Jamal-al-Din Talabah Hijazi (military law), Rida 'Abdallah (general traffic directorate), Muhammad Abu 'Isa Tu'aymah (information and documentation), Ahmad Fathi Ghanim (tax evasion), Muhammad Rif'at al-Tabi'i (central security operations).

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OPPOSITION REPORTS SUSPENSION OF HAYKAL COLUMN

Cairo AL-SHA'B in Arabic 11 Mar 86 p 1

[Text] AL-SHA'B has learned that Muhammad Hasanayn Haykal's articles in AKHBAR AL-YAWM were not favorably received in ruling political circles. This was the reason that his series of articles was not allowed to continue. Ibrahim Sa'dah, editor-in-chief of AL-AKHBAR had said that Haykal decided from the outset not to write regularly, every week, and that he would write one or more articles from time to time, according to the nature of the subject he was dealing with.

However, we observe that it had been announced that Haykal's series would consist of three installments, but only the first two have been published. AL-SHA'B has also learned that the third installment was, in fact, submitted to Ibrahim Sa'dah.

/12913
CSO: 4504/253

AL-AHRAM ALLEGEDLY SUPPRESSES DAILY COLUMN

London AL-HAWADITH in Arabic 21 Mar 86 p 9

[Text] The "Yawmiyat" [Diary] column which Ahmad Baha'-al-Din writes daily for AL-AHRAM newspaper has disappeared. Baha'al-Din had written the last column on Wednesday 12 March on Shams al-Din al-Fasi, head of the World Sufi Council (a private council based in London). The editor-in-chief refused to publish it and requested that it be replaced with another column. But Baha'-al-Din refused, and refused to write until the article was published. It is known that al-Fasi visited Egypt recently, when he met with President Mubarak and the prime minister. He appeared on television giving religious lessons, and he contributed to Egypt's debt repayment.

/9365
CSO: 4504/244

LIBYA

NEGOTIATIONS FOR BRAZILIAN ARMS SALES TO RESUME

Paris AFRICAN DEFENCE in English Feb 86 pp 4-5

[Text]

- **Brazil to Resume Negotiations With Libya on Arms Sales.** Brasilia and Tripoli will resume negotiations of contracts worth 300 million dollars to buy war materiel. The negotiations will resume after an interruption of nearly three years caused by the detention in Recife and Manuas of four Libyan aircraft that were transporting weapons in Nicaragua.

Abd al-Latif Khalifah Bukur, Secretary General of the Libyan embassy in Brasilia, was to arrive in Sao Jose dos Campos on Jan. 5th to start preparing for the visit of an official delegation from Tripoli. This delegation will arrive in Brazil in March to purchase weapons. Actually, the Libyans will negotiate contracts that were pratically settled when the Brazilian government seized the aircraft in Manaus and Recife during the first half of 1983. The aircraft were released only after intense negotiations.

After Iraq, Libya is Brazil's best weapons customer, and it may become the best customer in 1986 if the re-negotiated contracts are signed. These contracts include Tucano and Bandeirante airplanes manufactured by the Brazilian Aeronautics Company Embraer, contracts for tracked tanks and wheeled armoured vehicles from Engesa, and the Brazilian Airspace Industry Avibras which will provide bombs, rockets, and integrated defence systems. The contracts envisage a delivery period ranging from two to six years, once signed. The payments will be made over a similar period and will be mostly in cash.

Despite the seizing of the aircraft, Libya continued receiving Brazilian war equipment over the last three years because of a 250 million dollar contract signed in 1981 with Brazilian war materiel companies. Libya bought armoured vechicles from Engesa; rockets, bombs and launchers from Avibras; and personnel equipment manufactured by the ordnance industry Imbel. These purchases have already been delivered and the payements have not fallen due. On the contrary, most of the payments were made in cash. Brazil could sell an entire factory of weapons to Libya, the Libyan ambassador to Brazil, Faraj al-Sayti said on Dec. 2nd. A Libyan official delegation will arrive in Brasilia in March 1986 to negotiate with Itamaraty a package of economic, commercial and technological agreements that would bring the overall bilateral trade to 1bn dollars in 1986. Sayti said the Libyan government wanted to purchase weapons and manufactured items; as well as technology for the installation of steel, petrochemical, textile, food, electronic and light weapon industries. Thus far, Itamaraty sources have confirmed the Brazilian government's interest in diversifying and intensifying its relations with Libya, and in exchanging technology with Third World countries.

Brazil has already become the third largest exporter of arms to Libya -behind the Soviet Union and the EEC - and, in the face of an imminent war with Egypt, Libya will probably place urgent orders for Brazilian light weapons and tanks to replace existing ones or to increase its inventory, Sayti said. Last year, bilateral trade totalled only 9M dollars. One item that could increase bilateral trade to 1bn dollars is the Tucano plane. Sayti said the Libyan armed forces were studying the possibility of using the Tucano plane for training fighter pilots. He added that by February, before the Libyan trade mission was due in Brasilia, a comprehensive study of Libya's needs should be available. In the meantime, Brazilian exports will be limited to replacing weapons and tanks because there would be no time to train troops to use new weapons.

Sayti said: "We buy arms to use them when we are attacked. When that happens, as it is happening now, we will use all the weapons we have purchased from various sources." He added: "We hope to strengthen our relations with Brazil under the new republic."

/9274
CSO: 4500/102

MOROCCO

MUSTAPHA SEHIMI REVIEWS BOOK ON FOOD FRAUD

Casablanca LE MESSAGE DE LA NATION in French 14 Feb 86 p 52

[Review by Mustapha Sehimi of "L'evaluation du role de l'administration dans la lutte contre la fraude alimentaire au Maroc" [Evaluation of the Administration's Role in the Fight Against Food Fraud in Morocco] by Amar Hamimaz, member of the faculty of the Rabat Law School, Rabat Law School, January 1986, 290 pages]

[Text] Food fraud! It worries consumers; the authorities, too--sometimes people die of it...That it's a health question is certain. And a question of danger. Hence the interest in the research being conducted by Amar Hamimaz within the context of a DES report.

The evaluation of the administration's role in the fight against food fraud in Morocco--this is actually the title of the report--required that the problem's particulars be presented first of all; this is the subject of the first part. Here the author develops the foundation of the repression in this field and especially underlines the dahir of 14 October 1914, which today constitutes--even though it has been amended on diverse occasions--the real blueprint that runs through the applicable legislation and regulation in this field.

A Regulatory Maze

It is in fact by virtue of that basic text that the administration has at its disposal a legal arsenal that permits it to define the essential missions, the field of action and the jurisdictions of the specialized services in food control and control of common products; it is that same text that also empowers it to enact regulations for public administration.

Finally--as may well be imagined--that text is not the only one that is applicable. And today one has to face a veritable regulatory maze because there are no less than 19 other dahirs, 63 vizirial decrees or orders and 33 ministerial or interministerial orders still in effect. Therefore, a great deal of legal knowledge and erudition is required in order to embrace all of the laws in effect that pertain to food fraud.

After listing all of the traditional and modern laws designed to suppress food fraud, the author has devoted himself to examining the importance of the stakes. As far as public health is concerned, the place of chemical substances in food is actually known. Whether it be food additives, pesticides, heavy metals or asbestos, Amar Hamimaz presents us with quite a list. A worrisome picture; one that is often frightening. Indeed it makes us think about what we consume every day without concerning ourselves more with the component elements of what we are eating.

Sometimes, as the revelations emerge, we find ourselves sorry that we ever became aware of such an unsavory clinical and nutritional picture. As in so many other fields, it is sometimes better not to know!

What Can the Administration Do?

The consequences of food fraud concern more than just the social level; they also involve the economic sector. They add to production costs; they also have an impact on foreign trade insofar as they lead to several "perverse" phenomena. For instance, excess profit for vendors who often sell us second-rate products, as well as the bad name that may be given nationally on national exports by any sale that is not responsive to the requisite health standards.

Faced with this situation, what can the administration do? This is the subject of the second part entitled "Les aspects de l'intervention administrative" [Aspects of Administrative Intervention]. There is assuredly a great deal to be done in this regard and the author draws a complete picture of the panoply of means that have been set up, as well as the range of administrative structures already in operation. That there is an increase in services will not really come as a surprise to anyone; this is often the price of administrative inefficiency, indeed of bureaucracy, which is more concerned with running itself than with carrying out its public service mission. It is well known that we suffer from inadequate coordination. Finally, it is the common lot that administrative action is technically ill-equipped.

Drawing his conclusions from all of these developments, the author rightly emphasizes that "it is not only at the legal or administrative level that we must act, but also at the level of producers and consumers." Will he be heard as long as "consumerism" (the consumer protection movement) continues to be no more than a pious wish? Undoubtedly, it has been possible to observe improvements here and there, as much in regulation as in control of techniques. But it must be said that we are still a long way from a genuine policy of prevention and repression that is likely--if not to eliminate food fraud--at least to reduce its occurrence in what we call "intolerable" proportions.

Here is a piece of research to read. And to study. It provides us with stimulating thoughts that call out to everyone--authorities, producers and consumers.

8946
CSO: 4519/73

RURAL ECONOMIC DEVELOPMENT PROGRAM EXAMINED

Tunis DIALOGUE in French 10 Feb 86 pp 39, 40

[Article by Wajdi Saihi: "Integrated Rural Development Program: To Fit the Forecasts"; first paragraph is DIALOGUE introduction]

[Text] Started 2 years ago, the Integrated Rural Development Program has already has already begun realization of two thirds of the objectives set for its first 3 years. The recent cooperation agreements with the Islamic Bank and the FADES serve to confirm this ambitious project's human dimension.

Two events of great import marked the financial scene in the last few days and again put the Integrated Rural Development Program (PDRI), which was begun in the first months of 1984, uppermost on the activity agenda. Involved was the signing of two loan agreements for the financing of a group of projects under the PDRI. The first concerns consolidating the cooperation, which is already well established, between Tunisia and the Islamic Development Bank, while the second brings together once again the Arab Economic and Social Development Fund (FADES) and the effort undertaken by Tunisia toward development.

In accordance with the first agreement, therefore, credits amounting to 8.6 million dinars are being put at the disposal of Tunisia by the Islamic Bank for the financing of certain operations relative to deep-well drilling and equipment under the PDRI. It should be pointed out in this context that this new agreement consolidates already-existing cooperation relations which are reflected in the contribution of the Islamic Bank toward financing 34 projects with a total sum of 260 million dinars.

The second agreement relative to the same program was signed on Friday 31 January between Tunisia and the FADES; in accordance with that agreement, credits amounting to 37.8 million dinars are allocated to finance drilling operations for surface wells, improve and develop irrigated areas, plant fruit trees where it is dry and acquire agricultural equipment.

Thus the two agreements are illustrative of the interest and confidence that Bourguiba's Tunisia enjoys in the opinion of international financial authorities, as emphasized by D'Abdellatif Youssef Hamad, the Fund's general director, at the ceremony when the agreement was signed. He added that the FADES had decided to support the full expansion Tunisia was going through by contributing to the financing of new projects under the Seventh Plan. We point out that with the help of this new agreement the fund, since it was founded in 1984, will have participated in 15 projects for a total of 140 million dinars.

Arab-Islamic Participation in Financing

On the other hand, in addition to the FADES' and the Islamic Bank's participation in the financing, the plan for financing the entire program provides for participation by the Saudi Development Fund, the Kuwaiti Fund and the African Development Bank, for an overall total of 160 million dinars, a 45 percent share of the whole, whose cost is estimated at 355 million dinars.

As for the start-up of the program itself, it took place under the specified conditions and dates, that is, beginning early in the second quarter of 1984 with 60 projects for the first year and 76 for the second section, which was spread over 1984 and 1985. The remainder of the projects will start up this year. The realization of each of these projects is programed over 3 years, so that realization of the entire program is spread out over 5 years.

The huge program, as is well known, has been introduced since 1984. Its objective was to give the regional and rural effort a more significant impact by focusing the action chiefly on consolidating and re-orienting the classic Rural Development Program in order to make it a true development program which would directly contribute to creating jobs and increasing the production of income. The step adopted rested on simultaneous realization of additional actions within the framework of integrated development at the operating level and in the same area of intervention, in such a way as to keep the largest share of the envelope for productive components, and so as to bring about more active participation by those who benefit from the realization of the program.

Priority for the Economic and Productive Aspects

Moreover, this approach was clearly outlined by Mohamed Mzali, the prime minister and interior minister, at the Arab seminar on the Integrated Rural Development Program, which was held on 23 and 24 March 1984. After stressing the human and social aspects of the project, he indicated that the economic and productive aspects constitute the bases of the new program, in agricultural activities in particular. "Thus, in our provisions," Mohamed Mzali added, "we have dedicated two thirds of the credits to productive projects and the remaining one third to infrastructure and social equipment."

The program's other novelty surely has to do with regional distribution. To that end, the choices were dictated by the concern for promoting the regions that have benefited the least from development conditions, and on this account five regions were identified according to the priorities and development potentialities.

As for the expected impact, the program will enable production to be intensified, productivity to be increased, nearly 20,000 sources of revenue to be created and the rural population to be settled in its own milieu. It will also directly affect 142,000 families consisting of 800,000 persons, or one quarter of the rural population.

As far as the specifics of the effort are concerned, it basically targets agriculture; it applies to the irrigated sector, nonirrigated cultivation, cattle raising, arboriculture and fishing. The small-trade sector, one of the main concerns of the project, is especially aimed at developing existing human resources by furnishing the working tools necessary for the advancement of certain services.

Partners in PDRI Financing

Fund	Amount [Millions of Dinars]
Arab Fund for Economic and Social Development	37.8
Kuwaiti Fund	48.6
Islamic Bank	8.6
Saudi Development Fund	21.9
African Development Bank	43.9

Average Income of Farmers (Growing Season) in Dinars

Type of Farming	Area				
	Northwest	West Central	South	East Central	Northeast
Irrigated	7046	6575	3563	3960	7166
Nonirrigated	3452	1551	1523	1327	4266

Increase in Production (in 1,000 tons)

Product	Without Program	With Program	Increase
Legumes	30.0	122.0	92
Fruits	-	123.0	123.0
Meat	1.3	8.6	7.3
Milk	-	20.7	20.7
Wool	0.1	0.4	0.3

(Source: Planning Ministry)

8946
CSO: 4519/66

TUNISIA

BRIEFS

ALLEGED PLOT TO ALIENATE JEWS--It has been observed that the pro-Israeli Western media began, some time ago, concentrating on the fate of Tunisian Jews, after having been concerned in the past with Soviet and Syrian Jews. This "new concern" is attributable to the difficult political situation which Tunisia is experiencing, especially after the Israeli raid on the PLO headquarters and the increase in the wave of hostility by the Tunisian people toward Israel. In spite of the desire of the Tunisian authorities to reassure the Tunisian Jews by regarding them as Tunisians above all else, Israel has begun preparing a plot to cause a rift between Tunisian Jews and the motherland. It is worthy of mention that the Jewish community in Tunisia is concentrated on the island of Jerba where its population is around 1,000, after having exceeded 5,000 in the 1950's. [Text] [Paris AL-MUSTAQBAL in Arabic 8 Mar 86 p 10] /9365

CSO: 4504/246

NAVY CHIEF CLAIMS IRANIAN LINES TO AL-FAW CUT

London AL-DUSTUR in Arabic 10 Mar 86 p 12

[Interview with Navy Commander 'Abd Muhammad 'Abdallah by Walid al-Zubaydi in Baghdad: "Our Forces Have Cut Off Iranian Supplies to Al-Faw"; date not given]

[Text] The Iraqi Navy has joined with the rest of the Iraqi units in countering the new Iranian aggression by blockading and destroying its units in the Al-Faw and Ra's al-Bishah region. The role of the Navy has become more prominent in these battles considering that they are in its theater of operations in the northern Arabian Gulf. We turned to Staff Rear Admiral 'Abd Muhammad 'Abdallah, the Iraqi naval commander, for the following interview:

[AL-DUSTUR] The Iraqi Navy's new mission is to prevent any force from heading toward Bubiyan [Island] and other regions in the northern Arabian Gulf. Can we know something about this mission?

['Abdallah] We have economic interests in the Arabian Gulf represented by the ports of Al-'Amiq and Al-Bakr. They are located off the Iraqi and Kuwaiti shores; Bubiyan Island, specifically, lies at a distance of 25 nautical miles (about 50 kilometers) from these shores. The Iraqi Navy is currently charged with various duties, of which the most important are the protection of Iraq and its economic facilities, the blocking of the enemy's lines of communication, and preventing his supplies from reaching the Al-Faw region by sea. We therefore consider any ship which approaches this sector as one of our targets. By its features alone, we cannot tell whether it is being directed to threaten our facilities, to supply the enemy at Ra's al-Bishah or Al-Faw, to enter the Khawr 'Abdallah [Marsh] and threaten Umm Qasr, or to threaten our forces' left flank. They do this knowing that Bubiyan Island is the western shore of the Khawr 'Abdallah. In this case, it is necessary to counter and deal with the targets in the theater of operations.

[AL-DUSTUR] To what extent will the Iraqi Navy participate in protecting the Arabian Gulf region against Iranian aggression?

['Abdallah] Our Iraqi Navy is prepared to offer assistance and support to our brothers in the Gulf if the General Command of the Armed Forces, to be one which considers Arab security is charged with any duty of this type.

The Iranian enemy knows well that our forces in their various forms will prevent him from launching any aggression against the Arabian Gulf countries, just as it scattered his dreams, curtailed his aggression aimed at the region as a whole and inflicted destruction and defeat upon him.

[AL-DUSTUR] What is your estimate of the Iraqi Navy's role in the recent battles?

['Abdallah] In following the situation since the beginning of the Iranian invasion the role of our Navy appears to be prominent in carrying out the following:

In preventing supplies from reaching the enemy by sea, we have sunk 41 supply and provisioning ships heading toward Ra's al-Bishah and Al-Faw and have completely cut off his supplies from 10 February until now.

Naval infantry forces, especially during the first 3 days of the aggression, resisted and stopped the Iranian forces, subsequently surrounding them in a narrow sector until the ground forces arrived and received their mission to surround and destroy the enemy. Our infantry is still fighting this battle.

Ensuring the protection of the ports of Al-Bakr and the Al-'Amiq and thwarting the two main attacks on 11 and 12 February which the enemy launched, we were able to rip him apart, sink his ships and motorboats and capture a large number of his personnel. A larger number of them were killed and their corpses are still in the motorboats floating at sea and being scattered over great distances.

We are ensuring effective protection and surveillance of the right flank of the ground units against landing or infiltration from the sea.

Our forces have continued to enforce a blockade on Kharg Island and the oil ports against the arrival of three huge destroyers [as published] for 5 days. They include a Liberian tanker, the 330,000-ton (Midoza), a Cypriot supertanker, the 260,000-ton (Buliz), and another Cypriot vessel, the 135,000-ton (Lioi Ai). We are imposing total control on the northern Arabian Gulf region and are preventing enemy forces and any other ship from approaching the theater of operations for a distance of 150 kilometers from our shores.

[AL-DUSTUR] Can we know something about the Iranian casualties among the naval units in this fighting?

['Abdallah] The Iranians tried to squeeze a number of missile boats and ships [through the blockade] for surveillance, reconnaissance, and observation. On various days three missile boats, a command ship and an electronic surveillance ship were sunk and a frigate was destroyed near Kharq Island.

[AL-DUSTUR] Can the Gulf states' navy protect their interests?

['Abdallah] The capabilities which the Gulf states possess in the naval realm are considered to be really advanced. They are thus able to provide effective protection against the Iranian fleet and to cause even more casualties to it. We are confident that our brothers in the Gulf are capable of the utmost casualties among the Iranian enemy and his navy should he try to resort to a foolhardy adventure of this type.

[AL-DUSTUR] How do you justify the Iranian success in bridging the Shatt al-'Arab and is it correct that there are many bridges?

['Abdallah] Iran has constructed a bridge on the Shatt al-'Arab; however, it was completely destroyed by our naval units. The experts in the engineering ranks who are concerned with this have confirmed that this bridge cannot be repaired. On 21 February, the enemy resorted to bringing another bridge to set up. This activity was observed until it was completed and then we destroyed it. Large parts of it were scattered and the current swept it away. Accordingly, maintaining a bridge in place is impossible. The point is not to construct bridges, but to maintain them. The enemy has not been able to do this nor will he be able to. Thus, the Navy has received the appreciation of President Saddam Husayn. He has directly strengthened its role through his meetings with the fighters and with me personally.

[AL-DUSTUR] How are the Iranians strengthening their collapsing units from other units?

['Abdallah] This is being accomplished by using small motorboats which can carry no more than a very small number of personnel. The enemy resorted to this method after failing to extend the bridges. Therefore, after we prevented his ships and motorboats from reaching its surrounded units in the Al-Faw region, the enemy felt that he was in an extremely cramped situation regarding his wretched position. His approaching units will never be able to return and we are very confident of this. Therefore we take joy in the fact that he is pushing large numbers of fresh troops into the Al-Faw region because the fate of these concentrations is assured destruction.

[AL-DUSTUR] In your estimation, what is the number of enemy casualties in the Al-Faw battles?

['Abdallah] Thus far the enemy has lost from 150,000 to 200,000 men and he is in the final stages of collapse. There is no doubt that the number will be higher than that.

[AL-DUSTUR] After these battles, when will the Iranians be able to launch another attack?

['Abdallah] I think because of the number of casualties the enemy has suffered, this battle has become the final battle. If he tries to attack again, he will need 2 or 3 years.

/9365
CSO: 4404/264

AIR FORCE COMMANDER INTERVIEWED ON AERIAL OPERATIONS

London AL-DUSTUR in Arabic 3 Mar 86 p 6

[Interview with Air Force commander Hamid Sha'ban by Walid al-Zubaydi, date and place not given: "We have weapons which have not yet been used"]

[Text] The Iraqi Air Force is conducting an increasing number of sorties against important Iranian forces and targets. There has been an increase, on the average, of 400 sorties per day since the start of the new Iranian aggression with heavy casualties among Iranian forces. Despite his preocceptaion and absence from the headquarters of the Air Force command, I was able to meet with Flight Lt Gen Hamid Sha'ban, the Air Force commander, and conduct this interview.

[AL-DUSTUR] What is your estimate of the Iranian situation and the new dilemma into which they have fallen?

[Hamid Sha'ban] What will the Iranian condition be after an Iraqi reaction of this magnitude, in which the Iraqi Air Force made a quick response represented by the destruction of most of their bridges and boats and the striking of troop concentration with a very strong impetus in a manner never before seen?

This response was the result of our complete preparation and our knowledge of the course of events. After we stripped the areas whence support and backing were gathered we augmented this support to destroy the dreams of our enemies who were imagining that they were capable of realizing their confused dreams by reaching Umm Qasr and the Kuwaiti borders and interfering in the affairs of the Arab Gulf region.

However, the opposite occurred. The great spearhead failed due to the mightly blows from various weapons with air power at the fore. This was tantamount to a human pulverizer. The factor which aided Iraqi air power in meting out punishment through incursion is that there is open terrain, the positions are known in detail, and there are no folds in the terrain for the enemy to hide in. The Iranians tried to give support to their forces and to evacuate their casualties in several ways. After all the bridges and crossings were cut off, they resorted to small boats at sea and various types of rafts, but this was where the air force was lying in wait for them. After having all its small craft rent asunder, the enemy was in dire straits. We are currently continuing to destroy all waves of troops and reinforcements which try to reach them. Through our reconnaissance and photography of the areas we had hit, we noticed the great amount of damage inflicted on them. It is my believe that they are now in a very critical situation and until they withdraw it will be difficult for them. When we destroy all the pockets we will move from the second stage to a new stage.

[AL-DUSTUR] Can we know something about this new stage?

[Hamid Sha'ban] In the next stage we will destroy all their returning units and we will move to the heart of Iranian soil. We will crush the strongholds in the rear, wherever they may be found and at the same time we will continue to strike the economc facilities and means of aggression. We will strike and destroy maritime targets and oil wells just as we strike every enemy aircraft which approaches the zone of operations or the heartland. After our downing of a number of aircraft it has become impossible for them to fly, even within Iran. This is their current situation.

[AL-DUSTUR] What is the number of Iranian enemy casualties in these battles according to your estimate?

[Hamib Sha'ban] According to reliable sources provided to us and to aerial photography which indicates that the enemy has thrust the very best of its units into this pulverizer, 50-70 percent of the Iranian forces have been destroyed in manpower, equipment, weaponry, and military vehicles. Just as I said previously, we are continually stripping away their means of fording and transport and this will prevent the rest of the units from returning to the rear. Accordingly, the number of enemy casualties will increase. There is no doubt that it will mount up to more than this figure, but the exact numbers indicate that thus far more than 50,000 enemy personnel have been killed. In the next few days the number will reach 70,000 to 80,000.

[AL-DUSTUR] Is Iraq employing new weapons in the current fighting?

[Hamid Sha'ban] Yes. We have employed modern weapons in accordance with the current situation and there are weapons which have not been used before. They have been readied for the subsequent stage when we deliver the coup de grace to the enemy and specifically to the Iranian heartland.

[AL-DUSTUR] You previously stated that the true air battle had not yet begun. Do you think that it has now begun?

[Hamid Sha'ban] Our true battle will go on in stages. The first stage is what is presently occuring; i.e., the destruction of enemies in the zone of operations. The second stage begins when the enemy is repulsed wherupon we will sever the ties between the rescuers and the defeated in the Iranian heartland and strip them of all their economic and hostile means. As for the targets that we will destroy, we will not name them now. The strikes will be sudden and intense and will surprise the enemy.

[AL-DUSTUR] How many planes has Iran lost in these battles and how many have your forces lost?

[Hamid Sha'ban] The Iranian losses are a known fact and I am certain that no planes that enters Iraqi air space escapes. We have now shot down about 20 aircraft while losing only 8 and this despite thousands of sorties. In this connection we will remind the enemy that these pilots were seen ejecting as their planes were hit and we have enough information to know that they are alive in enemy hands. We warn them that if anything happens to these pilots, let them remember that we hold captured Iranian pilots.

[AL-DUSTUR] The news is repeated in some circles that there is a passage which the Iranians constructed under the Shatt al-'Arab leading to the al-Faw region. How accurate is this information?

[Hamid Sha'ban] This passage absolutely does not exist. We know quite accurately by using our special methods that such a tunnel does not exist. We also know that the Shatt al-'Arab is wide and that it ebbs and flows and that if there is a passage under the water there should be indications of such a structure as well as an entrance and an exit. We are daily making the details of the roads more accurate either by aerial photography or by visual reconnaissance. The passage absolutely does not exist.

[AL-DUSTUR] What is the affect of the current fighting on the situation in Iran and on the future of the war?

[Hamid Sha'ban] Remember what I told you before. This battle will be final in our thinking and decisive in relation to the enemy. This is attributable to a number of causes: When we finish cleansing the region of the 1st aggressor, the enemy casualties from the volunteer and regular forces will be very high and this is known by all. In the same manner the means of military aggression, vehicles, and bridges wil be smashed because they throw in all they possess. Likewise, our air force, according to plan, will complete and totally destroy all the economic and energy resources available to the enemy. What remains of its air power will be heavily damaged. Add to this the tragic moral condition which will befall the Iranian people; the psychological frustration will be quite storng. In view of this, we believe that it will create a climate for violent reaction against the political and military leadership which got the Iranian forces invovled and killed the sons of the Iranian people in a manner which has never happened before in the history of the world's armies. Just as Iraq is able to bring about complete destruction after stage, it will also block any future aggressive attempts.

/13104
CSO: 4404/257

ISRAEL

ISRAEL BROADCASTING AUTHORITY DILEMMA DISCUSSED

Jerusalem THE JERUSALEM POST (JERUSALEM POST MAGAZINE supplement) in English 14 Mar 86 pp 6-7

[Article by Ilan Chaim and Fay Cashman]

[Text]

WHEN THE evening television news broadcast is suddenly disrupted – and not by electrical failure – two thoughts occur to the viewer: something of dire national importance has just taken place and we are about to be informed of another calamity or – after a moment's reflection – it must be sanctions again.

The sanctions that black out the news, or merely cause the newscasters to vanish suddenly and then playfully to reappear, are generally understood to be the deeds of the technicians, making a less understood point in their ongoing labour conflict by exploiting their stranglehold on the most popular show on television.

The technicians, it is true, are the tail wagging the dog; but this curious phenomenon is not limited to the news. Responsibility for the deterioration of labour relations at Television House also rests with the management, which has largely abdicated its role. The result has meant the near total abandonment of Israel Television's mandate to foster the national culture by local programming and – among the occasional basketball game, myriad talk shows and *Dallas*-surrogates – there lurks the suspicion that chaos rules the air waves.

THERE IS an old Chinese curse: "May you be born in interesting times." Interesting, that is, in the historical sense: war, famine, plague, etc. In our own interesting corner of the world, the news broadcast is not a casual event, easily ignored. The electronic beeps heralding the hourly radio newscasts cause an immediate Pavlovian reaction among Israelis; virtually all ears perk up. In the evening, the *Mabat* newsreel garners a similar response, capturing the attention of over two-thirds the potential viewing audience.

But what this audience sees is far less than what it should be getting, according to *Mabat* director Michael Karpin. "We have an excellent staff, some of whom rank among the best in the world. But we are hampered in our news gathering by being the only station in the world shooting the news on regular film, rather than with modern video equipment." Other countries' stations made the transition from film to electronic news gathering (ENG) in the late Sixties and early Seventies. ITV purchased ENG equipment eight years ago, much of which has been gathering dust – and growing obsolete – in the warehouse, due to the management's failure to overcome the technicians' opposition to its use.

"This is a scandal, both economically and professionally," declares Karpin, 41, who is coming to the end of a stormy three-year term as *Mabat* editor after serving as ITV's Bonn correspondent. "European countries – whose TV broadcasting is more similar to ours than that in the U.S. – have found that using film is twice as expensive as video. One minute of video film costs about $500 to produce, compared to about $1,000 for a minute of film. I don't believe ITV could get down to $500 per minute immediately after switching to ENG, but it could at least reduce the cost to $750 right at the beginning. At an average of 15 minutes of locally produced news film a night, this would work out to an immediate annual savings of $1.4 million and an eventual savings of twice that. We could even buy all new ENG equipment, and it would pay for itself in a year or so."

BUT it is the professional cost of the deadlock that is most galling to the man who decides what news to show the country each night. "No events can be filmed in Haifa after 3 p.m. and be shown on *Mabat* the same night. No events can be filmed in Tel Aviv after 5 p.m.," states Karpin. The reason is that the ordinary, 16mm. movie film insisted upon by the technicians must be delivered to the lab in Jerusalem, developed, dried and edited by hand (cutting and splicing), before it can be broadcast. Video tape, in contrast, needs no such processing; it can be edited electronically in a fraction of the time, even in the van on the way to Jerusalem, and much ENG material can be transmitted instantly from the news event to the studio, either for recording and editing or immediate live broadcast.

The inflated number of technicians employed in outmoded news gathering means fewer camera teams available for breaking events. "We have one crew in Tel Aviv to cover any event in the entire central region during the day, plus one standby crew in the evening," notes Karpin. "We have a single crew – with no standby – to cover Haifa and the entire North, including Lebanon. In the South, we have half a crew, sharing half with Arabic Television. In Jerusalem, we have three daytime crews plus an evening stand-by crew, as well as our van; but the van is not allowed to leave town before 3 p.m. This means there are very few events it can cover and return to Jerusalem in time to prepare the film for broadcast."

The van itself, misrepresented to viewers as "our mobile unit," is hardly mobile at all. The camera it deploys is tethered to it by an umbilicus of cable, making it a static studio that moves, occasionally, from place to place. "We can use it to interview an arriving VIP at Ben-Gurion Airport," notes Karpin wryly, "but if the VIP got up and left the room and was assassinated outside the door, ITV couldn't cover it." The cable wouldn't reach.

A RECENT case where the ITV cable didn't reach was the source of the latest round of newsroom sanctions. When Prime Minister Shimon Peres visited Hebron last September, Karpin chose to use film shot by a foreign TV crew (NBC), thus breaking a longstanding status quo agreement with ITV technicians.

The technicians retaliated by blacking out *Mabat* a week later for 40 seconds, in support of their demand that he be fired. They also threatened to stop the broadcast if Karpin entered the studio during air time which, as editor, he did the next night. The technicians immediately pulled the plug on the nation, blacking out more than half of *Mabat*.

Karpin was last week acquitted by a disciplinary tribunal for allegedly violating the agreement. Technician works committee chairman Hezi Koka was temporarily suspended and then censured two weeks ago for another series of blackouts involving a similar issue: Karpin's use of a foreign film report on the Moslem riot on the Temple Mount during a visit by the Knesset Interior Committee in January.

The first time the technicians blacked out *Mabat*, recalls Karpin, "was at the end of 1983, over a foreign report on the exchange of terrorists for our prisoners of war. That time, they cut the *Mabat* broadcast and replaced it with a slide, declaring a work dispute, and they kept it on the screen for the rest of the evening, until midnight and *Hatikva*. [Broadcasting Authority Director-General Uri] Porat and other top management officials couldn't persuade them to resume broadcasting. This set the tone for what has followed, which is anarchy."

Despite his ongoing confrontation with the technicians, Karpin doesn't negate their right to labour action, just their timing. "The television has to broadcast. It's the law. The technicians say their union obliges them not to broadcast when they don't want to. But you can't do this at 8.55 p.m. Let them have sanctions; but do so legally. If they must strike, then let them declare a work dispute and go on strike; but not in the middle of a broadcast."

Karpin intends to apply for a second three-year term when his present incumbency expires in August. He expects to oversee the long-delayed transition to ENG "over the next year or so." If the changeover does not occur, despite the overriding fiscal and professional necessity, then, Karpin declares, "ITV would have no right to exist. It would be like a company manufacturing at a loss, because its workers refuse to adopt modern means of production."

BUT NO Israeli labour dispute is that simple. In fact, says technician leader Koka, "ENG is not the central issue at all. We would love to adopt the new system; but since it will require harder work and more hours to master, we feel we should get more pay for it. The TV journalists' pay is linked to that of the print journalists, the administrative workers have linkage – only we are tied down to the national labour agreement."

Koka, 35, explains that the technicians, despite providing the services necessary to keep TV and radio on the air, are the lowest paid workers in the Broadcasting Authority. "I have 15 years seniority and I earn less basic salary than a starting clerk. The management says I can work up to 150 hours overtime a month, but I don't want it. I want to be able to earn a decent living on my salary, without having to kill myself doing overtime; most of which is eaten up anyway by income tax."

Under the Broadcasting Authority Law, the Treasury controls the number of technicians' jobs and their wage scale. The number has remained fixed at 130 for years, says Koka, while the work has expanded. "We are chronically short-staffed and are thus forced into doing more hours of overtime, while our basic salary keeps eroding." (This is perhaps ingenuous. The technicians, like other staffers, have had a guaranteed overtime quotient built into their salaries, which recent budget cuts have brought under closer scrutiny.)

This, said Koka, is the basis of the technicians' refusal to adopt ENG or to allow the use of ENG-produced material from outside sources. They are holding out, using ENG as their only bargaining chip to force what they claim is a fair wage increment. "The money we would save by going over to ENG would pay for the wage hike, but money isn't the issue. The Broadcasting Authority is in the black, but it can't make deals. Only the Treasury can – but it won't do a thing unless it's prompted by the IBA managing committee."

But isn't blacking out the news going too far?

"We don't like it, but it's our only weapon," Koka replies. "We really have no choice. The Israeli economy made us this way, but it's not such a bad measure, as sanctions go in this country. Did anyone prosecute the nurses when they struck, or the doctors? Their actions were life-threatening. Ours might even foster life – check the birth rate nine months after the last blackout."

Late last week the technicians announced work-to-rule sanctions, in another effort to force management to act on their behalf before the Treasury. They declared they would work no more than the permitted overtime, a 12-hour per week ceiling that would have disrupted the filming of the locally-produced *Allegro* musical quiz show and the recording of songs for the pre-Eurovision song contest.

Responding to the threat, IBA deputy chairman David Admon met with the technicians and promised to examine their wage demands. The technicians called off their work-to-rule on Sunday, giving Admon two weeks grace to come up with a solution. "The whole system is crazy," declares Koka. "A TV head without authority has no business being there. They say the managing committee is just a bunch of politicians on the make, the journalists are all leftists and we're nothing but terrorists. It's crazy."

THE TECHNICIANS' disruptions of the news is only the most visible symptom of a disease affecting the entire organism of ITV: mismanagement. "The bureaucracy is a swollen cancer that is eating up Israel Television," according to producer Ya'akov Eisenman.

Eisenman, 40, came up through the ranks – working as a photographer (and as such, a technician) and film editor, before directing short films and eventually becoming the producer of *Pillar of Fire*, the 19-segment series on Zionism.

"In the beginning," says Eisenman – now a member of the journalists and production workers committee – "a producer had authority. Today, he can't decide anything. If I want to call a cab, it has to be in the production budget, and the procedure involves two clerks: one to fill out the order slip and one to order the cab. If we've finished work at 2 a.m. and I don't have a chit filled out in advance, I'm on my own."

The producer is the long arm of the executive; in effect, the executive in the field. He is responsible for all aspects of the production, from the smallest promotional announcement to the biggest series. "Television is basically the antithesis of public administration," explains Eisenman. "In public administration, there is a separation between the source of funds and those who spend it. At ITV, the producer combines both roles, and this necessitates a corruption of the production process.

"The effect is a 'snowball system,' whereby a producer underestimates his budget – on purpose – to get his idea approved; then once production begins, its cost snowballs. Any decision by a producer entails money, and if he isn't responsible, the production doesn't work out. But the actual decision to spend is out of the producer's hands – he has the responsibility, but not the authority.

"Under the existing system, the budget people interfere on every level and the producers have to inflate or deflate costs to get the production going, operating on the assumption by management that they are criminals."

The dearth of local programming is the result, says Eisenman. "They say there's no budget for local dramas or documentaries. But there is money – there's just a lack of direction, poor management. Take the simple matter of calendar events – holidays and memorials that occur regularly each year, and thus should come as no surprise. But here, they do; and instead of preparing special local productions months in advance, they scurry around at the last minute and end up screening some re-run.

"Why not have producers working half a year or a year in advance, like in other countries? Bad management, that's why. A blatant example is the whole scandal over ENG. In the UK, in Germany, in the U.S. – the unions in these countries all struggled against ENG, but their objections were overcome. Here it's being going on for eight years. Why? Management."

FROM the producer's point of view, "The IBA managing committee is criminal, because it doesn't fulfil the law." The Broadcasting Authority Law requires it, among other tasks, to broadcast programmes "reflecting the life, struggle, creative effort and achievements of the state...strengthening the ties with, and deepening the knowledge of, the Jewish heritage and its values." Instead, decries Eisenman, "We have one *Dallas* or another, with a lot of boring talk shows, some news, and an original local drama every two years or so. This is a crime. We've got stories in this country that make the 'best' Westerns pale in comparison."

Even *Pillar of Fire*, the landmark documentary that earned accolades for its vivid portrayal of Zionist history, had to fight to be born.

"We did it despite ITV's lack of self-confidence in our ability to create," says Eisenman, who has just completed producing the full 19-part version in English for the Jewish Agency, to be shown in the U.S., and a seven-part English version for British television's Channel 4.

"Good TV is critical. It asks tough questions. What politician wants it? Not only is there no drama, there's no satire today," concludes Eisenman. "It's all *pareve.*"

THE ANARCHY at ITV has finally got so out of hand that the attorney general himself has urged an amendment to the Broadcasting Authority Law to give management a weapon to use against mutinous employees who recognize no executive command.

Defiance of directives is par for the course at ITV. Unless someone is actually caught in a criminal act or provocative sabotage, there's little likelihood of dismissal. At worst, an employee may be suspended, which is often more trouble than it's worth, as in the recent fracas involving Hezi Koka, whose suspension was revoked by the Jerusalem Labour Court and who is appealing his censure before the Supreme Court.

Threats by the IBA management committee, collectively and individually, to close down the television, have been treated as so much hogwash by union leaders who are perfectly aware there is no legal provision for closure.

Moreover, they are fairly confident that such a provision would never see the light of day, because Knesset members – confronted with having to decide on pulling away the props from one of their most important platforms – would probably vote against such an amendment.

Last year, MK David Libai presented Education Minister Yitzhak Navon with a draft for new legislation, whose essential purpose was to do away with the IBA's cumbersome 31-member plenum. Instead, he proposed to increase the seven-member management committee to a governing board of 12. Last month Libai, together with MKs Rafi Edri and Uzi Baram, tabled a proposal to this effect to the Knesset. It has yet to pass a first reading.

Broadcasting Authority Director-General Uri Porat is not so much bothered by the size of the plenum as by the definition of Article 19 of the Broadcasting Law, which *inter alia* lists among the functions of the management committee "to consider and decide upon matters of the Broadcasting Service."

The current management committee is completing the second year in a three-year term of office. Throughout its period of tenure, it has consistently poked its finger into areas which Porat maintains should be left solely to professionals. He draws the analogy with Security Council Resolution 242. The crucial word *all* is missing from the text of the UN resolution pertaining to the territories and from the 19th article of the Broadcasting Law. The management committee, according to Porat, is not qualified to decide upon *all* matters of the Broadcasting Service, nor does the letter of the law give it that licence.

Worse still, the law does not properly define the powers of the executive hierarchy. The director-general, who in the final analysis has to bear the brunt of anything that goes wrong, does not have a sign on his wall announcing that the buck stops here. In fact, Article 23c of the Broadcasting Authority Law dictates that the director-general shall act in accordance with the decisions and directives of the management committee.

To Porat, this is a ludicrous situation. In his perception, the director-general serves a dual role as both editor-in-chief and head of management. He must be free to make both editorial and managerial decisions without having to refer to a group of people whose reactions will stem from their political affiliations.

THE INVOLVEMENT of the management committee in the day-to-day affairs of the IBA, argues Porat, seriously erodes efficiency. Department heads waste so much time reporting to them, says Porat, that they don't have enough hours in the day to attend to their jobs.

If the director-general is limited by law, the directors of radio and television are even more constrained, a factor that causes Porat to repeatedly ask, "Who's running things around here – the workers or the management?"

Although he genuinely does not want to bolt the door on Television House, he welcomes the idea of an amendment – one is being drafted by a panel of legal experts recently appointed by Navon – that would allow for closure. Porat hopes that the amendment will be broadly based and not confined solely to procedures for closing and reopening ITV.

BUT THE IBA'S legal adviser, Natan Cohen, who sits on the four-member panel headed by Dr. Shimon Shitrit of the Hebrew University's Law Faculty, says that the panel has been charged only with outlining the procedures for closing and reopening Israel Television. The text must clearly state under what conditions broadcasts are to be suspended and who has the right to order such suspension, and when to resume them.

For Cohen, who had a role in drafting the 1965 Broadcasting Authority Law, sitting on the Shitrit panel is a traumatic experience. A journalist with Israel Radio since 1953, Cohen rose to become chief programming editor. In 1961, he was sent on loan to the Justice Ministry where he spent two years as spokesman for Justice Minister Dov Yosef. In view of his law degree and his combined experience in radio and at the Justice Ministry, he was asked by Hanoch Givton, then director of Israel Radio (and subsequently the first director-general of the IBA) to help draft the legislation.

The first reading was in 1964. The law was enacted a year later; and the IBA as an independent body came into being in June 1965. The law was amended in 1968, with the inauguration of television broadcasts in this country.

Porat laments that the amendment vis-à-vis television should have waited until a proper model for ITV had been established, but Cohen notes that the model was there all along, because Israeli law is based on that of England, "which is the mother of all broadcasting legislation."

Referring to the lacuna in Israeli law, Cohen contends that legislators in no other country have given any thought to closing up. "Only when affairs at the IBA deteriorated to their present level did the question arise," he says. He never imagined when helping to draft the law in 1964 that he would be called to his present task. Taking it for granted that sooner or later the amendment will be passed, Cohen says, "I hope it's a law we never have to use."

ITV DIRECTOR Ya'ir Aloni, who has been with ITV since its inception, can't remember a director-general who didn't want to be in all places at all times, so that he could have a say in everything. If that's the task of the director-general, observes Aloni, "What exactly is the function of the ITV director?"

One of the most crucial problems from Aloni's standpoint is the proper division of labour. He believes that management should be better trained and that it should be in a position to evaluate its targets and its needs. Every now and again, especially when the IBA is strapped for money, talk erupts in the management committee and the plenum about how top-heavy ITV is with creative staff. The question is invariably asked: "Who needs so many producers, directors and moderators for a channel that provides only four hours of broadcasting per night – at least half of which is imported?"

The people who pose this question, says Aloni, don't always know what goes into making a programme, let alone a single news item. But even if they are partially right, who can determine what size staff-load ITV should be carrying? There's never been a policy decision, according to Aloni, on the order of priorities to be given to news, current affairs, music, entertainment, drama, sport, documentaries, children's programmes, local productions, consumerism, foreign language imports and so forth.

All these subjects are covered one way or another on ITV, but without specific policy guidelines. "After 18 years," says Aloni, "we still haven't decided exactly what we want out of television and what it takes in terms of people and equipment to produce what we want."

IBA CHAIRMAN Micha Yinon attributes much of the conflict to the frictions between technicians and journalists. The technicians complain that the journalists get more money and more limelight for less work. The technicians believe that they are entitled to better salaries, because without them, there are no programmes. "They've proved themselves right about that on more than one occasion," says Yinon wryly.

Money is not the single root of the problem. Status also comes into play. In the cinema, Aloni underscores, lighting and sound have been upgraded from the realm of the technical to the creative category. In television, at least as far as Israel is concerned, this is not yet the case, and the technicians whose artistic contributions are not recognized as such, are understandably frustrated.

It's all part of a vicious circle. The technicians are jealous of the journalists, who in turn are resentful of the technicians. Some of them get a chance to vent their anger at the technicians when they move into management roles. This is what Yinon is talking about when he speaks of the gulf in labour relations. The Histadrut, he adds, is not making life any easier. Instead of seeking a compromise, it puts its full weight behind the technicians in disputes about Sabbath and night work, mobile units and any number of other work disputes, which crop up from time to time.

Yinon would not object to raising technicians' salaries, but this cannot be done without Treasury approval, which so far has not been forthcoming.

HERE TOO, there is a legal absurdity. The Treasury no longer contributes to the IBA budget, although it is the receiver of IBA revenues, which it is reluctant to turn over to where they rightfully belong. Both Yinon and Porat advocate change in legislation related to the IBA budget. Neither can see any valid reason for the numerous approvals required on a quarterly basis for the budget.

For some months now, the IBA has been operating on an unapproved budget; the Knesset Finance Committee is meting out its own weird form of punishment for its perception of the IBA's sins of omission in news coverage.

Yinon, himself a lawyer, emphasizes the anomaly in a law that, on the one hand states that the authority should provide broadcasts as a national service and, on the other, says that in order to broadcast, it must get approval for its budget. He agrees that the Knesset should approve licence fees, but contends that if the IBA does not ask the Treasury for finance, there is no logic in having the Knesset or the Treasury approve its budget.

THOUGH not convinced that changes in the law will provide a panacea for what ails ITV, Yinon thinks that it is high time that amendments were introduced into broadcasting legislation. Amendments which Yinon would like to see include: The right of ITV to be financed by commercials (as distinct from sponsorships); the replacement of the management committee and plenum by a 15-member board of governors; the appointment of a director-general by the management committee (or board of governors) to be approved by the government instead of the other way around; a clear definition of the powers vested in the director-general; abolition of tenure for creative employees, who would in future be hired on a contractual basis at higher rates of pay; specific procedures for the closing and reopening of television.

The various labour factions have accused the IBA hierarchy of politicization. Yinon does not deny that it exists, nor does he think that it is unhealthy – providing that the governing body represents a diverse political mix.

"There is no such animal as a person who is politically neutral," he says. "Political pressure is legitimate. The trick is to know how to deal with it." □

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ISRAEL

PERES PROMISES WOMAN IN CABINET AFTER ROTATION

Jerusalem THE JERUSALEM POST in English 12 Mar 86 p 3

[Article by Joanna Yehiel]

[Text] Prime Minister Peres admitted on Monday night that he is to blame for the fact that there is no woman in the cabinet, and he promised to attempt to rectify the situation after the rotation.

He also promised a meeting of women in the Knesset that, "for the good of society as a whole," something would be done about the lack of equality of women.

The Council for the Advancement of the Status of Women, under its new chairwoman, Dr. Marilyn Safir, was meeting in the Knesset to mark International Women's Day.

Safir, head of women's studies at Haifa University and a psychologist, reported that her research showed that boys and girls in Israel do equally well in intelligence tests until age nine, but after that the boys pull significantly ahead in all fields of testing – verbal, mathematical and spatial.

Dr. Baruch Nevo, head of the national board for university entrance examinations, told the women that the gap between male and female candidates had grown in the last 30 years, with women falling increasingly behind.

The fault, he pointed out, could be with the type of entrance exam now used (multiple choice), in which speed is essential for success. Women, he said, answer fewer questions in the time allotted, but get more of them right.

Shoshana Ben-Zvi Meyer, an educator, said that parents and teachers are largely to blame for perpetuating sexual stereotypes.

The council recommended more research on male and female educational achievements; inititatives aimed at increasing equality of achievement; encouraging those who create teaching materials to change their stereotyped images of men and women; seeking assistance from the media in these aims.

Dr. Nitza Shapira Libai, the prime minister's adviser on the status of women, said that Peres had agreed to set up a committee to examine the causes of the differences in educational achievements.

Prof. Alice Shalvi, head of the Women's Network, and a council member, commented: "The time for listening to research is over. The time for action has come."

In case anyone should take Peres's promise for a woman in the cabinet seriously, one has only to look at the lack of women at this week's Herut conference to see how few there are in any positions of power there.

In the Knesset 10 years ago, there were nine women MKs; now there are 10. As Knesset Speaker Shlomo Hillel remarked recently, "At this rate, we'll need 500 years until the imbalance is corrected."

Ten years ago, during International Women's Year, MK Ora Namir prevailed upon then prime minister Rabin to establish a commission on the status of women. After two years' work, the commission submitted a comprehensive report and over 340 proposals for improving women's status. In the eight years since that report was submitted, nothing has been done.

At a meeting of the Women's Network with all 10 women MKs recently, Shulamit Aloni and Geula Cohen were for once in agreement when they said that only greater involvement by women in the centres of power and decision-making could change women's status.

"Women who go into politics shouldn't limit themselves to issues concerning the status of women," Cohen said. "Defence, foreign policy, and economics aren't matters for men only."

Aloni added: "Women do much of the day to day work of the political parties, as volunteers. But the rewards in terms of prestige, power and decision-making go to the men."

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ISRAEL

NATURALIZATION OF ISRAELIS IN UNITED STATES

Tel Aviv MA'ARIV in Hebrew 19 Feb 86 p 5

[Text] A study, conducted by a university in Washington, reveals that in the past 35 years 110,000 Israelis have become naturalized citizens.

The study is based on figures of the Immigration and Naturalization Service and refers to Israelis who have arrived in the United States since 1951.

Most of the Israelis came to the United States between 1975 and 1980. Their average income is $19,000 annually. This average is $4,500 higher than that of immigrants from other countries, and is $2,000 higher than that of the average native American.

The study, conducted by Yehuda Luqash of the American University in Washington, found that 78 percent of the Israelis who received American citizenship are high school graduates. About one third are college graduates.

Luqash estimates that the number of Israelis who are in the United States illegally is only 100,000. It should be pointed out that Jewish and Israeli institutions, including the Jewish Agency, quote a much higher figure.

Data of the Immigration and Naturalization Service shows that in 1984, 144,000 Israelis recieved visas. Of those 84,000 were tourists, 1,732 businessmen, 6,400 students, and about 2,000 were government workers, including diplomats and other emissaries. In 1951, 200 Israeli government officials came to the United States

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ISRAEL

COMMISSIONER WARNS OF NATIONAL WATER EMERGENCY

Jerusalem THE JERUSALEM POST in English 10 Mar 86 p 6

[Article by Yitzhak Oked]

[Text] TEL AVIV. – Because of the small quantities of rain this winter Water Commissioner Zemach Yishai considers declaring a national water emergency. A reduction of about 10 per cent in the quotas for agriculture, industry and city use is planned.

With one third of March over and the weatherman forecasting dry weather till Thursday afternoon, Yishai is becoming pessimistic about heavy rains still falling this winter.

In an interview with *The Jerusalem Post* Yishai said that unless there are rains before April, he may have to increase the cuts in the quota from 10 to 15 per cent or more.

In some parts of the country the cuts may even be harsher during the summer months. Three areas which will probably be affected the most are the Carmel coastal area, Western Galilee and the Golan Heights, where the quota may be cut by 50 per cent. These areas are supplied not by the national water carrier but by wells, and the levels of these wells have become dangerously low. "We simply have no reserves of water to give to these areas," Yishai said.

Critics of Yishai say that a 10 per cent cut does not take into consideration the excessive and above-quota use of water during the dry winter months, which means that in reality the cuts will be less than 10 per cent. Yishai counters that there has not been a great overuse of water quotas this winter.

In years with low rainfall the Water Commissioner is likely to come under crossfire. The farmers, on one side, demand bigger quotas, while conservationists call for his resignation because he is not cutting down on water quotas.

One of the strongest opponents to Yishai's policies is former MK Yossef Tamir, now chairman of the Life and Environment umbrella organization on ecology. Tamir claims that unless immediate steps are taken, the next generation will simply not have enough drinking water. Tamir says that the Water Commissioner is not using his extensive powers wisely.

Yishai, a former moshavnik himself, is a soft-spoken, reserved person, who never seems to lose his temper. He admits that the lawmakers gave him a lot of power. "It would be easy for me to dictate to the farmers how much water to use by issuing regulations. But the trick is to persuade them to use less water," he says.

"I have been in office for five years and what I have tried to do is regulate the yearly use of our present water potential and not to overuse it, so that coming generations will also have water."

He gets angry at the mention of critics who say he is not doing anything to reduce the country's hydrological overdraft. "I'm not God, only he can replenish our overdrawn water resources with several good years of rain."

He is also critical of those who try to decide on agricultural policies on the basis of the available water: "It is difficult to decide whether to plant citrus trees or not, because of the water they use.

"I have decided upon red lines in

the overuse of water, and it is not easy to keep the farmers from reaching these lines, but it is impossible to cut down on water use in order to pay off the hydrological overdraft."

Yishai tries to sound optimistic about the future. Money is needed to develop additional water resources. According to our long-range plans we are not going to increase the supply of water for farmers above the present level of 1.35 billion cubic metres a year. Just the same, there will be a steady increase in the use of water by the industrial and city sectors, he says.

"Where will this additional water come from? We will soon complete the third water line to the Negev at a cost of $100 million and will pump an additional 100m. cubic metres of purified sewage water for agriculture purposes for farmers who will then have to give back 100m. cubic metres of good drinking water.

"Another thing is that I have been in office only five years. Some of my actions will only bear fruit in another five to ten years. For example, I have ordered a halt to pumping water from a number of wells in the coastal region. It will take about 15 years before we will see the results of this restraint and may be able to renew pumping."

The Water Commissioner now holds meetings to discuss the possibility of lowering the price of water in the wake of lower prices of oil and electricity.

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ISRAEL

NEGEV PHOSPHATES DROPPING; OFFICIALS BACK ZOHAR DEVELOPMENT

Tel Aviv DAVAR in Hebrew 19 Feb 86 p 5

[Text] By the end of the decade all phosphate mines in the Negev will have been depleted. This is the estimate of senior officials at Israel Chemicals who say that, in view of the expected reduction in mining the mineral in the Negev, Israel should already start intensive development of the phosphate deposits which have recently been discovered in the Zohar Field in the 'Arad Valley.

The rich phosphate deposits in the Zohar Field were discovered in the process of a country wide survey to locate the mineral. It turned out that they extend over an area of about 100 sq km from west of 'Arad to Tel-Malhata. Available geological information points to reserves of about 180 million (metric) tons of phosphates of a quality and layer structure which are superior to those in the Negev.

Moreover, the country wide phosphate survey, which has been undertaken in the last 5 years, states that there is probably no other site where there are such deposits of such high quality phosphate that makes it feasible to mine. According to estimates of Negev Phosphates, which is now in the process of obtaining the proper licenses to develop the field, it is possible to construct a large industrial complex with an annual production of about 6 million tons of raw material. This production system, capable of supplying its own thermal energy for all processes, will employ, according to estimates, about 1,000 workers for about 25 years.

Senior officials at Israel Chemicals stress that Israel has to develop the Zohar Field deposits, especially in view of Jordan's activities in developing the phosphate deposits within her borders. The phosphate fields are Jordan's primary foreign currency source.

It should be pointed out that Negev Phosphates increased its phosphate exports by about 7 percent in each of the last 2 years. Thus its share in the world market has grown to 4.7 percent.

In a tour conducted by the board of directors of the company in its Negev facility, the general manager, Dani Yaqir, said that the company increased its exports in 1985 by 140,000 (metric) tons, from 2.06 million in 1984 to 2.2

million tons in 1985. This happened in a year when world demand for phosphates decreased by 2 percent.

Yaqir stressed that Negev Phosphates is among the very few companies in this industry which have substantially increased their exports in the past 2 years. Sales of phosphoric acid increased from 19,000 tons to 25,000 tons. About 20 percent of the product is sold to the United States and the rest is exported to Europe. The general manager estimates that contracts, signed recently with European producers, will bring about the processing of substantially more phosphates and the exports thereof, and will increase the involvement of his company in the European market.

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ISRAEL

ROBOT DISMANTLES EXPLOSIVE DEVICES FOR POLICE

Jerusalem THE JERUSALEM POST in English 10 Mar 86 p 3

[Article by Barbara Amouyal: "Israeli-Made Robot Sapper Earns Place in Police Force"]

[Text] The Police Bomb Disposal Unit yesterday unveiled "Bambi," the first Israeli-made robot designed to neutralize explosive devices. The 70-kilo robot is manufactured by Tel Aviv-based Sivan Century 21 and can be operated without cables or on-site human direction.

Bambi was designed by police engineers after three years of research to incorporate what the chief sapper, Deputy Commander Shlomo Aharonishky, described as "uniquely Israeli technical needs which, until now, could not be handled by imported models."

Bambi, according to police sappers, performs all the functions of a large robot without requiring a special vehicle to transport it. The robot is 83 cm. long, 56 cm. wide, and 70 cm. tall. It travels approximately 30 metres per minute and is controlled by a wireless transmitter.

Bambi has two cameras for eyes and a built-in closed-circuit TV camera on its forehead so that sappers can direct its moves safely from a distance. The robot can climb steps and navigate crevices 20 cm. deep. It is equipped with an automatic rifle that can be fired to detonate bombs.

Inspector Yehuda Shalom, a mechanical engineer who helped develop the robot, told *The Jerusalem Post* that Bambi could very well render popular Irish and British models obsolete. "It's very lightweight and doesn't require special and cumbersome equipment to operate. Also, it sells for half the price of other robots," he said.

Bambi carries a $20,000 price-tag, and Israeli police have already purchased 10 of them. "We hope to equip every station with a Bambi in time," said Aharonishky. "It all depends on our budget."

Aharonishky said Bambi would greatly reduce the danger and stress faced by sappers.

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ISRAEL

INNOVATIVE RADIO MAY SAVE LIVES BY GUIDING RESCUERS

Jerusalem THE JERUSALEM POST in English 12 Mar 86 p 6

[Article by Joshua Brilliant]

[Text] TEL AVIV. – Pilots sent out on operations behind enemy lines may now count on a small radio, which will switch on automatically should they be hit and broadcast their exact location, even if they are unconscious.

The aircrew rescue radio was presented by Tadiran during a tour of aviation reporters here yesterday. It can also be used to reach crews of ships in trouble or explorers lost in the jungle.

The radio, called PRC-434, is activated automatically once a pilot bails out. High-flying aircraft will send "queries" to the radio, which will reply with signals enabling computers to pinpoint the exact location of the broadcast. The reply signal will be relayed to helicopters equipped with special antennas able to pick up the same broadcasts from short range as they approach the target. The idea is to enable the rescue helicopter to fly directly to the downed pilot, and thus reduce the risk that the rescue team, too, greater distance.

The PRC-434 will reply to the signals sent to it even if the pilot is slumped over the radio, but if the user is able to straighten the antenna and hold it one metre above ground, the broadcast. The reply signal the broadcast will carry to a much greaer distance.

The PRC-434 is also equipped with a small screen which will light up when contacted – informing the pilot that the rescue teams are searching for him.

A microphone and receiver built into the radio will provide for short-range vocal communication, so that the rescue team can verify the survivor's identity and not fall into an enemy trap, should the enemy get to the receiver first.

The PRC-434 is superior to the currently used device, which gives the direction to the radio – but not the exact location.

Tadiran has been working on the project for several years and has offered it to Nato officials, but so far no firm orders have been received.

Tadiran also showed photographs of screens with a three-dimensional picture of terrain. These make it possible to include data on enemy ground-to-air missiles, including a mapping of the area covered by enemy radar.

Describing the company's overall operations, Isaac Raviv, vice president for marketing and sales, said he believed his company will be the only one to sell tank radios to the U.S. Army. Tadiran is now supplying the VRC-12 radios on the basis of a $68 million contract.

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ISRAEL

SHARON ACCUSED OF ASSAULT ON TWO ARAB HUNTERS

Jerusalem THE JERUSALEM POST in English 11 Mar 86 p 2

[Article by Asher Wallfish]

[Text] The police opened a file for assault and battery against Industry and Commerce Minister Ariel Sharon two weeks ago, in connection with an alleged attack on two Israeli Arabs who were out hunting 18 months ago.

The two are said to have been shooting rabbits with a licensed hunting rifle and a valid permit, and to have been chased off a section of unfenced and uncultivated land by a security guard employed at Sharon's Negev ranch.

One of the plaintiffs, Feisal Yunis, of Arara village in the Triangle, said he was leaving the area when Sharon appeared in a jeep, stopped him, and demanded his rifle.

Sharon allegedly stunned him with a blow over the left eye, drawing blood, and then kicked him twice, in the testicles and in the ribs. Yunis charged that Sharon told him: "I will finish you off."

Sharon later allegedly assaulted Yunis's companion, likewise drawing blood. It is alleged that Sharon confiscated the hunting rifles and ammunition.

When the hunters went to Sderot police station to complain, they were reportedly told their complaint could not be accepted because of Sharon's parliamentary immunity.

Yunis gave sworn testimony before a lawyer at the offices of the Citizens Rights Movement in the Knesset last June. When two CRM members, Yossi Sarid and Ran Cohen, asked Attorney-General Yitzhak Zamir to take up the Arab hunters' complaint, he referred them back to the police at a higher level and they then wrote to Police Inspector-General David Kraus.

Police investigators recently began taking testimony from Yunis and his fellow-hunter.

Cohen and Sarid submitted to Zamir that Sharon's alleged behaviour could not possibly be covered by his parliamentary immunity.

Sharon was quoted on TV's Mabat newsreel last night as saying that the complaint was filed a year-and-a-half late, and only at the initiative of "left-wing Knesset members."

Mabat reported that he had said that Yunis and his friend had been hunting on his property, that he had confiscated their weapons only after they refused to hand them over to a security man, and that he himself had refrained from filing a complaint with police because the two men had pleaded with him not to do so.

Sharon also reportedly told Mabat that he regards as grave the leaking of details on an on-going police investigation, especially while "politically significant events are taking place."

The newsreel quoted a police spokesman as saying that Sharon had not been questioned by the police on the matter, but had replied in writing to questions sent to him.

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ISRAEL

IMF RECOMMENDS EXCHANGE RATE FLUCTUATION

Jerusalem THE JERUSALEM POST in English 12 Mar 86 p 1

[Article by Avi Temkin]

[Text] The International Monetary Fund has recommended that the Israel government announce annual inflation targets, and then adjust wages, exchange rates and the budget accordingly.

An interim report on Israel's economy drafted by an IMF delegation has rejected a major devaluation of the shekel, but called for somewhat greater fluctuations of the exchange rate. The report recommends a further restriction in the linkages of wages and financial assets to foreign currencies or the Consumer Price Index.

Treasury Director-General Emmanuel Sharon said yesterday the government will consider the recommendations on their merits. He said the comments made by the delegation members represent an objective evaluation by professional economists who understand the Israeli economy.

He added that his talks with delegation members had indicated that the fund's final report would praise the achievements of the government's economic plan. The delegation left Israel on Monday.

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ISRAEL

ISRAEL TO DISREGARD IMF RECOMMENDATIONS

Jerusalem THE JERUSALEM POST in English 12 Mar 86 p 3

[Article by Avi Temkin]

[Text] The International Monetary Fund's latest recommendations to Israel are likely to be ignored.

The fund's delegation which recently visited here urged that Israel's rate of exchange should be freer. It added that the recent drop in interest rates had been premature. Both of these views are likely to be disregarded.

Disregard for IMF economic opinions, however, is nothing new. In 1985 Israel introduced an economic plan that did not follow the usual policy mix recommended by the fund. The plan included some elements that the conservative IMF would have approved, like the large cut in the government deficit and the reduction in subsidies. But its main feature, the freezing of the rate of exchange, was a move that the fund experts who visited Israel many times did not propose. Neither did they raise the possibility of a price-wage freeze of the kind eventually adopted.

Nor is Israel alone in following its own economic advice. In 1985, Argentina introduced an economic plan almost identical to Israel's. The Austral plan was so named because it was based on the introduction of a new currency of that name, and featured an exchange rate pegged to the dollar. The fund gave its approval only after it was presented with a *fait accompli*.

Last week, Brazil followed Israel and Argentina with a similar scheme. Its new currency is the cruzado, and prices, wages and exchange rates are frozen. Again the IMF accepted the plan, but only after Brazilian President Jose Sarney made it clear that he would not submit his policy to the scrutiny of the fund. Given the fund's fondness for austerity and unemployment, Sarney's refusal is no surprise.

Sarney in fact had much more to learn from the Israeli and Argentinian experiences than from the fund's advice.The Israeli and Argentinian inflation rates were once out of control, as Brazil's is today. Now they are running at 1 to 3 per cent a month. Nothing succeeds like success.

Even Western commercial banks, which usually closely follow IMF views on debtor countries, are striking their own course. One day after the Brazilian plan was announced, they agreed to cut the interest rates on that country's debt. This will save Brazil $320 million in 1986. To keep up appearances, the banks asked Jacques de Larosiere, the fund's managing director, for his approval of the Brazilian policy. The director tacitly endorsed it.

The moral of the story is that the fund should not be the ultimate arbiter of economic policy. Israel lowered its inflation rate despite the fund's advice, and will probably continue to do so.

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ISRAEL

FOREIGN CURRENCY DEPOSITS ENCOURAGED BY TAX-EXEMPT ACCOUNTS

Jerusalem THE JERUSALEM POST (SUPPLEMENT) in English 12 Mar 86 p 12

[Article by Chip Nobil]

[Text] IT SEEMS funny to describe Israel as a "Jewish offshore tax haven." Yet, for foreign residents depositing money in tax-exempt foreign currency accounts (*patah*), Israel is indeed a Jewish Cayman Islands.

Patah accounts are the primary investment instruments for foreign depositors. They can be opened in any of the major currencies, as well as in mixed currencies, and their interest rates, either fixed or floating, are based on Eurocurrency rates. According to the Bank of Israel, there are today between $6.5 and $7 billion held in these accounts.

Foreign residents deposit their money in Israeli banks for a number of reasons, including Zionism, financial security and foreign business and tax regulations. No one debates the importance of these accounts in the development of the Israeli economy.

Ten per cent of every dollar deposited in *patah* must be deposited in the Bank of Israel, and 30 per cent is deposited in foreign banks with triple A ratings. These accounts are sacred, and no Israeli government has ever tampered with them. "In fact," commented a senior banking official, "these accounts are as secure as if they were insured by America's Federal Deposit Insurance Company." In many cases, *patah* accounts serve as a financial basis for further investments in Israel.

Israeli banks, in addition to the *patah* accounts, offer their customers facilities to handle all currency transactions. They also help their customers invest in the Israeli stock market, and in various foreign security and financial markets.

It was common in the past for foreigners to invest in the Israeli stock market, but this all came to an end with the 1983 crash. However, according to David Granot, head of Bank Leumi's customer investment department, in the last few months there has been increased foreign activity in the market.

BANK LEUMI, Israel's largest bank, is ranked as one of the 100 biggest banks in the world, and has consolidated assets surpassing $20 billion. The bank has over 300 branches in Israel and 60 offices abroad. With tourist and foreign resident centres located in Jerusalem, Tel Aviv and Haifa, Bank Leumi boasts that over 45 per cent of its deposits are made by foreign residents.

A Bank Leumi subsidiary, Leumi Security in New York, provides advice for foreign investors dealing in the Tel Aviv Stock Exchange. Through Leumi Security, investors can also invest in all major international financial and security markets.

Another Leumi subsidiary, Leumi Security and Investments, manages discretionary accounts for foreign residents. Bank Leumi and Co. Investment Bankers, a merchant bank affiliated with the Leumi Group, provides investment and financial services for investing in local business and industry.

Bank Leumi also provides an extensive range of services for its foreign customers, including banking-by-mail, overnight letter transfers, multi-currency checkbooks, and telephone orders. The bank is integrated into the Swift computerized banking network.

BANK HAPOALIM, Israel's second largest bank with $19 billion in consolidated assets, is also one of the 100 largest banks in the world. The bank has 340 branches in Israel and 30 offices in 14 countries. Three tourist and foreign resident centres in Netanya, Tel Aviv and Jerusalem provide specialized services for tourists and for foreign residents. The Hapoalim network is spread worldwide and is particularly active in North and South America.

The bank provides guidance and facilities for investing in securities in Israel, and its Foreign Security Centre provides access to various stock exchanges.

Bank Hapoalim provides banking-by-mail, numbered accounts, and statements sent upon request. Dealing rooms in London, New York and Tel Aviv provide communications with bank offices and correspondents for exchange and forward transactions and for international money transfers.

Business ventures and overseas marketing are promoted through companies affiliated with Bank Hapoalim. And Bank Hapoalim's investment company makes equity investment in new and existing Israeli companies.

ISRAEL DISCOUNT BANK,(IDB), Israel's third largest bank and ranked 160 in the world, has $11 billion in total consolidated assets. Part of the IDB Bankholding Corporation, the Israel Discount Bank is linked to banks throughout the world, including the Israel Discount Bank of New York, the 63rd largest bank in the U.S. The Israel Discount Bank provides a full range of services for foreign residents ranging from one-day deposits to facilities that allow customers to deal in the world's leading security and financial markets.

The Israel Discount Bank prides itself on its cosmopolitan image and boasts that its employees speak a number of languages. "We cater to the needs of our customers and comply to their wishes regarding statements, telephone orders, banking-by-mail, telexing and numbered accounts, as long as the safety and confidentiality of our customers are observed," says Dudi Recanati, a deputy general-manager and a director of the Israel Discount Bank. The bank is also integrated into the Swift network.

Through the IDB Bankholding Corporation, the bank is directly connected to Discount Israel Corporation which provides investment possibilities in new and existing industries, with an emphasis on high-tech fields.

UNITED MIZRAHI BANK, the fourth largest Israeli bank, has 85 branches in Israel and subsidiaries and offices in 13 foreign cities. The bank's total consolidated assets are just under $5 billion. Like its larger counterparts, United Mizrahi offers its foreign customers a full range of commercial banking services. In addition to standard *patah* accounts and tourist transactions, the bank is active in security and financial markets worldwide. The bank is also very active in financing and promoting foreign trade.

Through the United Mizrahi Bank for Industry and Agriculture, the bank supplies financing and investment for developing Israeli industries.

"The bank's smaller size allows it to give more personalized and efficient service, particularly when investment guidance is needed," claims Eliezwer Grunwald, director of the United Mizrahi Tourist and Foreign Investor Centre. Mizrahi also complies with customers' wishes regarding telephone orders and telexing statements. The bank is integrated into the Swift network.

THE FIRST INTERNATIONAL BANK OF ISRAEL, the country's fifth largest bank, has $2 billion in consolidated assets. The bank has two subsidiaries in London and Zurich where activity is focused on wholesale banking. First International provides a full range of commercial banking services for foreign residents in Israel.

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ISRAEL

KUPAT HOLIM CLALIT FINANCIAL WOES DISCUSSED

Jerusalem THE JERUSALEM POST in English 14 Mar 86 p 11

[Article by Macabee Dean]

[Text]

HOW DID the Histadrut's Kupat Holim Clalit run up a debt of some $525 million? Of this sum, some $240m. is "acute" – a word used by physicians to indicate a life-threatening situation – since it is short-term and "crushing" due to mushrooming extraordinary high interest rates.

Most of this acute debt – with its high interest rates – is owed to Bank Hapoalim, which although it belongs to the Histadrut, has to charge the same interest rates as its competitors.

And if another $200m. of the Sick Fund's debts are not pressing, they still impose a heavy financial burden. Only the remaining $85m. is causing little anxiety (at present at least) since it is "current," i.e., covered by funds coming in from various sources.

In a first of a series of articles, Macabee Dean tries to analyze why Kupat Holim Clalit ran so deep into debt – a debt which is about two-thirds of its current 1985/86 budget of $647m.

SINCE it was founded in 1920 by the Histadrut, Kupat Holim has played a triple role: to help Histadrut members stay well and to help them recover if they became sick; to indoctrinate them with its own "true" socialist beliefs; and to adopt a Zionist-National pioneering role (even after the state was founded) by setting up medical facilities in the most outlying districts, as well as providing medical help for new immigrants.

No Histadrut nor Kupat Holim leader has been willing to admit any discrepancy or conflict between these different roles.

That Kupat Holim has played a successful role for the Histadrut in its multiple tasks all these years – especially in its political indoctrination campaign – is indicated by the political attacks it has provoked from Histadrut opponents.

Kupat Holim's main rival has been Herut, which became the core of the present Likud.

At first, Herut tried to fight the Histadrut's Kupat Holim by setting up its own sick fund, the present Kupat Holim Leumit. But the latter was always a midget compared to Clalit and ineffective as a disseminator of political ideologies among the general public. Herut (or the Likud), therefore, changed its tactics: it began to infiltrate into the Histadrut, and today about one quarter of all Histadrut members belong to the Likud.

KUPAT HOLIM's leadership always managed to keep the Likud members in the background, depriving them of any responsible position. Thus, Kupat Holim lost the use of considerable Likud talent which became within the sick fund a vociferous but ineffectual opposition, according to some, and a vociferous and destructive one, according to others. Whatever the truth, Kupat Holim leadership lost some badly needed administration talent. This probably had some financial repercussions, although they are not measurable. But the pent-up frustrations of the Likud were later to be released when it came to power in 1977 and took charge of the national purse.

Simultaneously, during all these years the Histadrut and Kupat Holim began changing their roles; Kupat Holim today is still an adjunct of the Histadrut, but the Histadrut needs Clalit more than Clalit needs the Histadrut. Today, one can easily imagine a strong Clalit functioning without the Histadrut, but not the opposite situation.

Despite the constant criticism levelled at Clalit – the Israeli national sport is bitching – the fund grew and grew. If 67.7 per cent of all Israelis were members in 1974, today the figure is 85 per cent. And the past decade was not one of large-scale immigration, where each immigrant was automatically inducted, during his "settlement and adjustment period," into Kupat Holim. Most of the new members are veteran Israelis. And as Clalit grew, so did the Histadrut, for to join Clalit, one has to join the Histadrut. If one could join the sick fund without joining the Histadrut, "pure" Histadrut membership would shrink badly.

This explains, of course, why the Likud favours a national health service – which means nationalizing Clalit – and Labour (or the majority of the Histadrut members) are dead set against it.

THAT THE Histadrut has recognized Kupat Holim's increased importance can be seen from the following figures: if in 1979 the sick fund got about 61 per cent of membership dues, in 1985 the percentage had risen to 69 per cent.

If membership dues were to rise by, let us say, 85 per cent, Kupat Holim's financial problems would be eased considerably. It would be able to cover its annual deficit (about five per cent of its budget), even though it would not be able to make even slight inroads into its accumulated debt.

But this would deprive the Histadrut of funds, so the probable solution will be to increase the total amount of the membership dues by raising the "ceiling" on which membership dues are imposed.

In effect, this might eventually encourage many members, especially the better off, to seek medical help in other places. And other sources are available: private doctors and perhaps Kupat Holim Maccabi which charges about the same fees, but which uses all of its income for medical purposes (it does not have a "Histadrut" to support).

SO CLALIT is pressuring the government on two fronts. The minor one is to help finance its budget which, as noted, is partially being used to cover many national tasks. This would allow it to keep its membership dues low – and competitive. It wants the government to divert funds from other commitments, or in other words, non-Histadrut members would help support Clalit, since Clalit is doing the government's work.

The second reason for needing government funding is much more important. As noted, Kupat Holim Clalit has never abandoned its pioneering Zionist-National role – which also means garnering political support. Perhaps it no longer rushes to the geographical frontiers, West Bank settlements (which are not always to Labour's liking), but there are other frontiers within Israel proper.

For example, Kupat Holim wants to accept responsibility for Israel's aging population. Not long ago, the aged accounted for four per cent of the country's population, but it has now passed the 10 per cent mark. And facilities are woefully inadequate. Kupat Holim wants to add 1,000 beds and accept responsibility for medical, nursing and community care. This is the government's job but since Kupat Holim believes it can carry out these tasks better, it wants the government to finance them.

But government aid will not rise; in fact it has fallen from 28.1 per cent of Kupat Holim's total budget in 1977/78 to 9.9 per cent in 1985/86. It may drop to half this sum in the financial year starting this April 1. This loss of funds has hurt Clalit terribly. But in all fairness, the government cutbacks began in the wake of the Yom Kippur War, before the Likud took power in 1977.

But the Likud administration would certainly have been more responsive to Clalit's needs had it not been squeezed out of the fund's affairs. The Likud turned to where it could garner votes, tapping a wave of enthusiasm for the West Bank settlements, and the money went there.

Today, Finance Minister Yitzhak Moda'i, even if he wants to help, can only repeat that saying made famous by one of his predecessors, Yigael Hurvitz: "*Ain lee* – or I'm flat broke." And he can say this in all honesty.

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ISRAEL

DRUZE FIRM EXPORTS UNDERWATER OBSERVATORY TO BAHAMAS

Jerusalem THE JERUSALEM POST in English 11 Mar 86 p 3

[Article by Ya'Acov Friedler]

[Text] HAIFA. – The biggest Druse export in the history of the community, a 230-ton underwater observatory, is taking shape in Haifa port.

The $800,000 structure is being built by the Kadmany Brothers Metal Works in Yerka, Western Galilee, for the Coral World marine amusement park in Nassau, Bahamas.

Because the structure is too big to be transported to Haifa in one piece, the firm obtained part of a jetty from the port management for piece by piece on-site assembly.

Due to be completed in a month, the steel observatory, 38 metres high and 21 metres wide will be put into the water by a huge crane and towed out into the bay, where an American seabee-type freighter will float it on deck for the long trip.

The job, which has provided three months of work, is a feather in the cap for the Kadmany firm, which won the international tender against Israeli and foreign competition, including some companies much nearer the West Indian island.

Founded 15 years ago, the Yerka plant employs 250 workers, mostly Druse, though there are some Jews and Arabs. The firm also has two more factories in Beersheba, employing another 200 Jewish and Arab workers.

One of the owners, Suleiman Kadmany, told *The Jerusalem Post* that they specialize in petro-chemical and power-generating industrial construction.

The firm's turnover is about $25 million annually, "and we have orders in hand to keep us busy for the next 14 months." They have not been hit by the recession because, "I believe we looked well ahead and planned accordingly," he said.

The Bahamas contract encouraged the firm to concentrate on establishing its export market, and it has now contacted a U.S. marketing firm. "I think you'll hear a lot about our exports to the U.S. in the near future," Kadmany predicted.

The observatory, which dwarfs the famous Eilat observatory, was planned by naval architect Moshe Drimer, of Haifa, and the interior was designed by architect Ben Peleg. Drimer told *The Jerusalem Post* that he would be in Nassau to see the structure put in place and loaded down with 850 tons of ballast, sand and concrete.

With most of the berths at Haifa port vacant for most of the time, the port management had no difficulty in accommodating the work.

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ISRAEL

CURRENT PETROLEUM PURCHASING DESCRIBED

Tel Aviv HADASHOT in Hebrew 18 Feb 86 p 14

[Text] The chief of the Fuel Commission, Shim'on Gilbo'a, was to leave for Mexico on 19 February in order to sign an agreement on oil purchases. Israel buys 2.4 million tons of oil from Mexico annually. The Paz Company is responsible for the purchase. Under the new agreement, Israel would like to pay for most of the oil in goods and services. Considering the oil glut, it may very well be that Mexico will agree.

On the way Mr Gilbo'a was to meet Norwegian representatives in London. That meeting was also to be attended by Deleq chief Avraham Agmon. The purpose of the meeting was to pressure the Norwegians to lower their prices in accordance with lower world prices. Israel buys from Norway about 750,000 tons a year. Deleq is responsible for purchases from Norway. The agreement was signed in 1984.

The third country with which Israel has an agreement is Egypt, from which it buys 1.7 million tons a year. Purchases from Egypt are done by Paz, Sonol and Deleq. The agreement was signed in 1979. In all, Israel buys about 70 percent of its annual consumption (7 million tons) under such agreements. The rest is bought on the spot market.

Spot market purchases are conducted through traders, working along with the Israeli companies. The main traders are Richco, owned by Mark Rich, Sibro, owned by the Phili brothers, and Black Oil.

The deals are struck as follows. When one of the traders has oil, he notifies the Israeli company with which he works. The company notifies the Fuel Commission, headed by Shim'on Gilbo'a. The Commission meets weekly to discuss purchases for the week. It considers the price, transportation, and refining. If the shipment suits Israel's needs, the trader gets the green light to buy it.

Sometimes one of the fuel companies buys on the spot market a refined product, such as gasoline. This kind of a purchase also requires the approval of the Fuel Commission.

Several years ago the government wanted to establish a company which would do all the purchasing of oil and oil products. A committee was established, headed by Prof Yosef Rom. Its other members were Tamir Agmon, attorney Ya'aqov Ne'eman, Aharon Dovrat, and David Shoham. The committee concluded that present conditions justify the continuation of the existing system, with the supervision of the Fuel Commission. Another committee that dealt with the same subject, this one headed by Dr Tzvi Dinshteyn also determined that things should stay as they are.

The average price that Israel now pays is $16. Mexican oil is the cheapest: heavy oil costs $13.40; light oil costs $16.00.

The Egyptian oil costs Israel $15.50 a barrel. Light oil costs $18 a barrel. Norwegian oil, referred to as North Sea Light, costs $24 a barrel.

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ISRAEL

ISRAEL CHEMICALS PLANS TO STEP UP PROCESSING

Jerusalem THE JERUSALEM POST (SUPPLEMENT) in English 12 Mar 86 p 6

[Text] "ALTHOUGH Israel Chemicals Ltd. (ICL) is a government-sponsored company, we consider ourselves a 'government-owned private enterprise,' run in the best profit-making tradition."

Fortunately for the ICL – which encompasses 11 local companies including Dead Sea Works, Negev Phosphates, Dead Sea Bromine and Bromine Compounds – the "profit-making" tradition its president Yoram Zvi describes will enable it to launch a wide range of plans for expansion.

In the next five years, ICL management is expecting to invest a total of $500 million in enlarging its facilities and stepping-up the processing of potash, bromine and phosphates, according to senior vice-president Uri S. Wurzburger and Yehezkel Baron, director of the company's economic division. In addition, they hope to raise some $200m. in funds in the U.S. and Europe toward their goal.

The two explain that ICL will attempt to drum up capital abroad by selling equity in some of its companies; Dead Sea Works, they note, has been traded for years on the Tel Aviv Stock Exchange. Concerning the Bromine Group and Dead Sea Periclase, the company will sell equity by floating bonds and selling commercial papers, and will also benefit from 85 per cent suppliers' or buyers' credits.

But profits are the real key to ICL's expansion programme, say Wurzburger and Baron, who expect about $60m. a year to come from the company's revenue. ICL's ability to put up most of the capital for its own economic growth will, they reason, be helpful in persuading others to invest.

ICL had a net profit of $56.4m. in 1984/85, compared to one of only $39.5m. the previous year. The management expects the company to have a net average profit of at least $50m. a year during the next five years, and an annual depreciation figure of $50m., making for a total of $100m. About $40m. will be earmarked for paying long-term loans, leaving $60m. for investment purposes.

ICL had a revenue of $715.7m. in 1984, which rose to $764.6m. in 1985. Since 82 per cent of its revenues are in foreign currency, the firm draws up its financial statements in dollars. It has four manufacturing plants abroad – Broomchemie and Amsterdam Fertilizers in Holland, and Stodiek Dunger and Giulini Chemie, in West Germany.

Wurzburger and Baron note that ICL has not only been much more profitable than other local companies of comparable size, but its profits have been better than similar enterprises in the U.S. and Europe.

While it is impossible to guarantee profits by controlling world prices of minerals, they said they can control production costs. ICL's main efforts are at present concentrated on reducing labour costs – both in the plants and in administration – finding more efficient land haulage and shipping methods (it has a 50 per cent share, together with Zim, in the Negev Star shipping line), cutting inventories, and so on.

As part of its overall effort, ICL is building an 18-kilometre long conveyor belt from Sdom to Mishor Zefa. Thus potash, brought up from

400 metres below sea level at the Dead Sea, will be hauled more cheaply than by the present method of using huge trucks. The conveyor belt system will cost about $38m.

ICL has a huge hauling company, Mif'alei Tovala, whose trucks are shown on TV when the temperatures of the Negev area are shown. As a matter of fact, its products dominate Israel Railways southern section, so that almost all the income of the railways in this area comes from ICL.

Also considerable emphasis will be placed on making downstream products which command much higher prices on world markets. If a few years ago only about 10 per cent of ICL products were downstream, 'the percentage today has crept up to about 50 per cent, and will soon be about 60 per cent.

Of the $500m. ICL is hoping to raise, some $200m. will be used to enlarge the potash facilities, $150m. for bromine and $50m. for increased phosphate production.

/12851
CSO: 4400/142

ISRAEL

LACK OF RESEARCH FUNDS ENDANGERING AERONAUTICS INDUSTRY

Tel Aviv HA'ARETZ in Hebrew 19 Feb 86 p 9

[Text] The annual flight and aeronautics convention was to open at the Hilton Hotel in Tel Aviv and continue at the Technion the next day. The central issues on the agenda were two show projects whose value to aeronautical research in Israel is rather doubtful--Star Wars (whose chief, General Abramson, came to Israel in order to get support for the project) and the Lavi Project.

As far as Star Wars in concerned, it is already clear that Israel will only receive minimal budgets. Activities will also be very restricted and marginal. One of the reasons for that is that the Americans are sensitive to exporting sensitive knowhow. The Pollard affair has probably reinforced this sensitivity. As to the Lavi project, strange as it may sound, many of the scientists on the project are displeased, because the project has consumed large portions of the budget, to the point that it threatens other aeronautical research and development projects in Israel. Thus an area where Israel was in the forefront has been in general retreat.

It should be stressed that the Lavi is being constructed with a somewhat obsolte technology. Today's reaseach and development looks to the future generations of flying machines. If this infrastructure is hurt, it will have serious implications on the future of the aeronautical industry in Israel, these scientists warn.

The school for aeronautical engineering in the Technion was, up to several years ago, the focal point for academic and research activities on the subject. Staff and faculty members were involved with some of the main products of Israel's air industry, such as the Kfir plane, the drones, and other projects which are still secret. Graduates of the school were absorbed in the aeronautical industry both in Israel, and, regrettably, overseas.

In addition to teaching and basic research, there is also applied research going on at the school. This activity takes place in the framework of the Center for Aeronautical Research. The Center has five laboratories: an aerodynamics laboratory, a laboratory for flight control, one for airplane structure, one for propulsion, and the last one is for jet propulsion.

The author chose to concentrate on the flight control laboratory, headed by one of the senior scientists in this field, who is also known throughout the world--Prof Shmu'el Merhav.

The laboratory deals with all aspects of research and development of flight control, starting with the angles of the plane itself, control of flight direction, and navigation control. It does not deal with the fourth aspect, that of air traffic control. The center of the laboratory is a flight simulator, where all experiments needed for the development of new products in the area of flight instrumentation are held. The major area of interest right now is in the man-machine systems, i.e., modifying the instruments for the conditions and optimal needs of the pilot. Researchers are dealing with state of the art technology--artificial intelligence and optical scanning.

Research and development is conducted by a staff of about ten researchers and five assistants (in the past that number was almost double). A high percentage of the projects is financed by overseas concerns. But while in the first few years of its existence (since 1971) most of the funds came from the Defense Ministry, the Air Force, and local industries, in the past 2 years, especially in the last 12 months, the percentage of various government projects has been sharply reduced. At the same time there have been more orders, although not quite enough to make up the difference, from overseas, especially the American Air Force and Navy.

The implication is that vital and sensitive knowhow, bred in Israel, is sold overseas. It is not inconceivable that one day Israel will have to import it for precious foreign currency. This may end up being the fate of a brand new product, now under development by the American Air Force, and which relies, in part, on findings by researchers for flight control in the Technion.

At issue is an advanced, sensorized helmet for pilots. These helmets are equipped with optical or electromagnetic sensors which enable pilots to activate certain systems with but a glance at them. This complex system is capable of taking measurements of the pilot's head relative to the plane, with a rather high degree of accuracy. The data are fed to a radar antenna or to a missile head. In other words, the missile is "enslaved" to the pilot's head, leaving his hands free for flight maneuvers.

Such helments have already been developed elsewhere in the world and are already on the market (one of them is produced by Shorashim in the Galilee). But none of them is very accurate because of the effect of the pilot's motions while in flight.

In 1982 Prof Merhav proposed to the American Air Force a research program to solve the problem, after he tried, unsuccessfully, to raise local interest in the idea. The American Air Force gave him a 3-year research contract along with $160,000. At the end of the project the Americans received a well tested method, paving the way to improved helmets. What they were given was an algorithm, fed to a computer, which is capable of correcting, in real time, the pilot's commands. The corrected commands are then fed to the various systems in the plane, with changes in body position taken into account, in this case head positions, caused by vibrations during flight.

This is a way to improve greatly the accuracy of the various systems in the plane in spite of the vibrations and biodynamic disturbances. This may even include those systems still operated by hand. In experiments in a mobile simulator, constructed especially for this purpose in the Technion laboratory, it was found that while the error factor of the existing helmets can increase under real conditions four to five fold over that of a "quiet" flight, the new helmet's error factor can increase by at most 30 percent.

The Americans intend to implement this method when they develop new helmets for pilots, both in airplanes and in helicopters, as well as in tanks. The American government signed a contract with the Israeli government for a joint research project for NASA laboratories, the American Army, and the flight control laboratory at the Technion. According to the contract each side will finance its own activities. For the time being there are no financial sources on the Israeli side.

The more advanced phase, coming out of this study, is tied in with the development of a scanning system, attached to the pilot's head. The system will combine information of what is going on outside the plane with what is going on inside. The scanner moves with the pilot in any direction his head moves and he is ensured of being able to see the image without any disturbance or blurring, in spite of his body motions while in flight. This is done with a special adaptive filter which was developed by Technion researchers. The development of a more advanced system is expected to take 3 years and will require a budget of hundreds of thousands of dollars. Sources for financing the project in Israel have not yet been found. Here, too, it is not unlikely that the knowhow will be sold overseas.

The epitome of aeronautical research in Israel, the pilot ship of Aerospace Industry and Tadiran, is the drone project. Prof Merhav, who is considered the father of the first drone (and who is now developing an advanced image simulator for drones, which was recently supplied to the defense system), warns that Israel may lose its edge in this area because not enough resources are devoted to developing the next generations of drones, while Israel's competitors, who are growing in number, are doing just that.

Future drones will be able to fly longer--up to 24 hours of continuous flight--and will be more reliable and accurate. The longer the flight, the more serious the navigational errors. This will require the development of sensors and advanced computer systems. "We are still resting on the laurels of the first generation of drones. We ought to remember that our advantage is but temporary and will soon be totally eroded if we don't act aggressively to acquire additional technical advantages," says Prof Merhav. He is upset that research projects in this area, which he proposed to several concerns in Israel, have so far remained unsupported.

Prof Merhav warns against the negative implications of such reduced government support of aeronautical research. He stresses that research and development, which is so important for the future of the aeronautical industry in Israel, (such as the drone technology) and for the education of the next generation of engineers, may be totally lost because of lack of funds, which are rather marginal in view of the total aeronautical budget.

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CSO: 4423/92

ISRAEL

BRIEFS

ARRESTS FOR HITCHHIKING--Tel Aviv--Women soldiers caught trying to hitch rides at night will be arrested, according to a new Defense Ministry regulation that comes into effect on March 16. Until now, women soldiers have been allowed to take rides at lit stations, in military vehicles, or in cars carrying someone they knew. When military policement found women soldiers along dark roads, they would drive them to a safer spot and send a complaint by mail, which meant that their trial would be held much later. As of March 16, women soldiers who are caught will be taken to a Military Police camp and tried immediately or the following day. [Text] [Jerusalem THE JERUSALEM POST in English 10 Mar 86 p 3] /12851

FLATTO-SHARON EXTRADITION--Milan (AFP)--An Italian court yesterday ordered the extradition of Israeli businessman Samuel Flatto-Sharon to France where he has been sentenced, in his absence, to 10 years' imprisonment for embezzlement. He was arrested on arrival here in October 1985. Flatto-Sharon fled France to Israel, where he was elected to the Knesset in 1977. But he was later found guilty of buying votes and sentenced to jail. His lawyers said they would appeal against his extradition from Italy. [Text] [Jerusalem THE JERUSALEM POST in English 14 Mar 86 p 1] /9317

CSO: 4400/144

KUWAIT

FINANCE MINISTER PROVIDES CALM ASSESSMENT OF ECONOMIC OUTLOOK

London AL-MAJALLAH in Arabic 25 Feb-4 Mar 86 pp 34, 35

[Interview with Finance and Economy Minister Jasim Muhammad al-Khirafi by 'Abd-al-Bari 'Atwan: "The Era of Luxury and Wasteful Spending Has Ended and the Economic Crisis Is Exaggerated"]

[Text] The economic question is the hottest issue to have been raised at the table of debate and discussion in Kuwait. There is the problem of the debts which have arisen from the collapse of the al-Manakh market, and there also is the issue of oil revenues which are declining because of the drop in oil prices. In addition to all these things, there is talk about austerity and a decline in the budget and a search for other alternatives to income besides foreign investment.

AL-MAJALLAH met with Mr Jasim Muhammad al-Khirafi, Kuwait's minister of finance and national economy, and posed a number of questions to him concerning the truth about the economic crisis in Kuwait, the government's means for dealing with the consequences of the al-Manakh crisis, Kuwait's position vis-a-vis Western countries which have started to impose high customs duties on Gulf petrochemical industry exports, and the truth of the news about the reduction in the Kuwaiti budget and the sections the reduction will be concerned with. Herewith is the text of the conversation:

[Question] There is much talk these days about the Kuwaiti government's means for remedying the crisis of the debts which have arisen from the collapse of the al-Manakh market. How do you view the criticism directed at this approach? What in brief are your new approaches for resolving this problem?

[Answer] The Kuwaiti government has viewed and still is viewing the issue of indebtedness as a matter which concerns the creditors and debtors and has considered that it must not intervene in a direct manner. The government has described this policy clearly in its report which it presented to the members of the National Assembly. This does not mean that we will remain detached from the problem; rather, it means that this problem will be solved by the two parties concerned, that is, the creditors and the debtors, provided that the role of the Kuwaiti Central Bank be one of oversight and of confirming that the requisite banking principles are followed.

[Question] Some observers believe that the Kuwaiti government, which has provided close to 4 billion dinars in an attempt on its part to settle the al-Manakh market crisis, can settle the consequences of this crisis. Why has it so far hesitated to finish what it has begun?

[Answer] The amount you mentioned is exaggerated. The government has not provided such an amount; rather, it has dealt with the al-Manakh crisis through its attempt to break up the entanglement. The treatment has taken place through three methods: first, the investors' fund, second, the purchase of stocks at the subsidy price, and third, the investment portfolio in the possession of the Domestic and Foreign Investments Company with respect to the loans. These three methods do not amount to the figure you mentioned. Our role now is embodied in settling this matter and making a strong new start this year, until the companies start to realize revenues through their presence. We have offered our economic report in this regard; it is related to the subject of the treatment of closed and Gulf companies and public corporations. We hope that this issue will be finished with as soon as possible, in accordance with the schedule that has been set out.

[Question] A statement has been attributed to Shaykh Sabah al-Ahmad, the acting prime minister and minister of foreign affairs, that Kuwait will solve the crisis of indebtedness even if it resorts to borrowing from abroad. Is the principle of borrowing at issue? From where?

[Answer] I believe that the statements that have been attributed to Shaykh Sabah are proof of concern to put an end to this issue. This does not mean that we wil borrow from abroad. We have not reached the point of borrowing from abroad, although it is not shameful for any country to venture on this sort of approach, and it is a method that is followed throughout the world.

The Banking System Is Prospering

[Question] To what extent has the Kuwaiti banking system been affected by the repercussions of the debt crisis and the failure to find rapid solutions to it?

[Answer] I would like to point out that in spite of everything that has been said and is being said about the debt crisis, the conditions of the Kuwaiti banks are still good. There is government support regarding these banks' basic structure and their lines of credit from abroad. The country considers these banks to be part of the main foundation of its internal economic structure and we are confident that the Kuwaiti banking system will continue to move forward confidently and competently.

[Question] The drop in oil prices has undoubtedly had an effect on the magnitude of Kuwaiti financial revenues in recent months. What policies will the government follow to cope with the deficit arising from this drop in revenues?

[Answer] The effect is there and it exists; we expect a drop in revenues and are making our proper calculations to face this situation. However, one must say that the volumes produced inside and outside OPEC are much greater than the production allocated to the Gulf states. When these countries committed themselves to their stipulated production quotas, that was from a premise of concern for price stabilization. However, that does not mean that we cannot increase production. What I want to stress is that Kuwait, in all the OPEC meetings, has been anxious to commit itself to the organization's production ceiling and along with some OAPEC countries has made big sacrifices because of this commitment. The beneficiaries of these sacrifices have been countries producing outside the organization, and I believe that there are limits to the sacrifices. If the Gulf countries do not meet with a response to these sacrifices, they will stop making them. The time has come for everyone to know that the Gulf countries will not allow the sacrifices to occur at their expense, and there is a limit to everything.

The Era of Luxury Has Passed!

[Question] There are people in Kuwait who talk about a coming period of austerity and a tendency toward reducing the budget to cope with the deficit in oil revenues. To what extent is that valid?

[Answer] The drop in the budget is no secret. Of course, we must start to review the study of the budget and we must prepare for unexpected emergencies. In the event a drop in the budget occurs, this drop will not be at the expense of the local economic cycle, since we are concerned with this cycle. However, it will be necessary to review priorities and the subject of scheduling them as far as the various banks go.

[Question] Does that mean that a period of austerity is imminent?

[Answer] I would not like to use the word "austerity." Rather, I prefer to say that the coming period will be one of an assessment of the real situation and rectification of the abnormal state of luxury, because, as is well knwon, this state of luxury became conspicuous in the previous period, during the flow of financial surpluses, when expenditures rose in an abnormal manner, not for a logical reason but because revenues had increased. We must be aware of the importance and goals of spending, and reprogram spending, while emphasizing realism.

[Question] The impression now prevailing concerning conditions inside Kuwait and some other countries of the Gulf, which is reflected in the analyses of Western economic analysts, suggests that there is an economic crisis. Are these analyses valid or exaggerated?

[Answer] I believe that there has been an exaggeration in the portrayal of the true nature of economic conditions. When we talk about economic crisis, we must explain it and ask whether it is an economic crisis connected to the government. The answer is in the negative, of course, because all the economic indices in Kuwait underline the soundness of the Kuwaiti economy. However, if we look at the issue of local economic assessments, the picture is a little different, but we must not exaggerate and go to excessive pessimism. There are successful Kuwaiti companies which realize a good annual profit, and it would be wrong to limk individual local situations to the course of the Kuwaiti economy. Although there are some negative influences on some local economic conditions, these influences have not reached the point of crisis. Some elements of these influences, for example, in addition to the elimination of the effects of the al-Manakh crisis, have been the Iraqi-Iranian war and international economic conditions. I was happy when as minister of finance and national economy I attended the meetings of the International Monetary Fund held recently in Seoul, the capital of South Korea. The cause of my happiness came from my learning about other countries' problems and comparing these problems with ours. Therefore, I believe that we must not exaggerate on the subject of the economic crisis, so that we will not create illusory problems or blow up individual problems, which must be dealt with in accordance with their magnitude.

Alternatives to Oil

[Question] The Kuwaiti government, like other Gulf countries, is seeking alternatives to oil revenues and in recent years has concentrated on investing abroad. It is being constantly said that the revenues from these investments are now on a par with oil revenues, especially with the decline in the latter. To what extent are these assessments valid?

[Answer] Kuwaiti investments abroad are a basic part of the government's policy of seeking alternatives to oil revenues. There are other alternatives which we are seeking to reinforce, such as emphasis on oil industry products. Please excuse me from talking about the investments.

[Question] Gulf petrochemical production, which is considered the most important component of oil industry products, is facing difficulties in marketing because of the European countries' stubborn positions, which are represented by the imposition of high taxes on these products, to the point where the negotiations the Gulf countries have held with the Common Market have not realized the desired results. How will you deal with this situation?

[Answer] When people's statements become unified, intentions are pure and there is a collective approach, as is the case now, I believe that the Gulf countries can constitute a substantial force. When interests are connected and the talk about the issue of petrochemicals is in a single voice, I believe that that will be a step on the proper road. However, if the issue of negotiating is left to each country by itself, there may be scope for laughing at our views. When they know that we are speaking in a single voice, they will start to think about their own interests. If we think about the balance of payments between the Gulf countries and Europe, for instance, we will find that these Western countries need the Gulf countries more than the Gulf countries need them.

[Question] Could that mean that the Gulf Cooperation Council countries will tie their petrochemical industry exports to their imports from Western industrial countries?

[Answer] Even if that possibility is not at hand, we must start thinking about it seriously, because, if you enter into negotiations merely out of heightened emotions, this approach is a weak one and will not realize what is desired. Negotiating must be to the benefit of the two parties, not to the benefit of one party to the exclusion of the other. As long as there is no serious tendency toward this approach, we will not find anyone listening to us.

The War of Rumors

[Question] Kuwait is full of predictions and rumors nowadays. One of the most conspicuous of these rumors is that the government will limit the admission of children of residents to Kuwait government schools as part of its efforts to restrict expenses. Is this possibility at hand?

[Answer] It is not an issue of economizing and restricting expenditures, but rather one of a budget which must be reviewed. There cannot be anything that is not compensated for. Health and education take a large share of the budget. Seventy percent of the health budget is spent on non-Kuwaitis. The Kuwaitis' share of the education budget is no greater than 40 percent. This situation was acceptable when there was an income surplus. Now, however, the picture has changed, but there will be nothing without compensation in the future. As far as the subject of rumors goes, we feel that a deliberate tendency exists to fight our economy by propagating these rumors, and this constitutes a threat toward which we must be attentive, because the economy is based on the elements of stability and trust, and rumors create chaos which has a negative effect on the country's stability. The people who keep repeating rumors to this end are biased and want to slander this country. We will face these people with the facts, so that we can thwart them and their pathological goals.

11887
CSO: 4404/253

KUWAIT

BROAD RESURGENCE IN NATION'S PRESS REVIEWED

London AL-MAJALLAH in Arabic 5-11 Mar 86 pp 78, 79

[Article: "The Appearance of the Kuwaiti Press Is More Provocative Than the Titles on Its Papers"]

[Text] In his new play, which will soon be shown under the title "The Protector of the Household," the famous Kuwaiti artist and playwright Sa'd al-Faraj has devoted a special scene to examining the editor in chief of a Kuwaiti paper as he receives ambassadors, makes political statements, sets off crises and acts as if he was the absolute ruler and the only person concerned with the assessment of affairs in the country.

Although this is not the first time in which the personality of a journalist or editor in chief has been dealt with in the theater of Kuwait, what is new in Sa'd Faraj's play is that it raises one of the issues which provoke the most controversy in Kuwait now, that of the press, the limits on the journalist and the extent of his personal journalistic, political and social thinking together.

In Kuwait, where the population and the residents amount to no more than 1.5 million, there are five major daily papers issued in Arabic in addition to two daily papers issued in English and more than 10 main magazines issued weekly.

Because of this large number of daily papers relative to the population, competition is becoming intense and methods for attracting readers are becoming diverse. Kuwait's is almost the only press in the Arab nation which mentions the number of copies of each issue printed in a prominent block in order to indicate the magnitude of its circulation, although the custom in the press throughout the world calls for mention of the figures on circulation, not the number of copies printed. Weekly colored supplements full of artistic stories, pictures and news of crimes in other areas manifest themselves as a new style of press competition, to the point where some papers, such as AL-WATAN and AL-QABAS, double their distribution on Tuesdays and Thursdays because of their weekly supplements, as the director of a major distribution company in Kuwait said.

A familiar sight is the presence of special boxes placed at the entryways to houses and apartments, bearing the names and slogans of the various Kuwaiti papers. The papers have taken the measure of setting out special boxes in their names in front of every home subscribing to them, to the point where the number of boxes now is a measure of the wealth or magnitude of culture of every head of household. The greater the number of boxes in front of the home, the greater the cultural worth of its occupant in the view of neighbors, visitors and passersby, as a Kuwaiti satirical writer said in talking about the press.

A Distinctive Platform

Competition among major papers has helped develop the press and its information services on the readers' behalf and has created a distinctive platform, if not an Arab press school which is unique of its kind. It should be noted that the press coverage of some events, especially the Gulf war, the events in Aden and other regional events, has been the focus of competition among the major papers which has helped diversify and enrich this coverage.

The proliferation of Arab and non-Arab communities residing in Kuwait has led to diversification in the interests of the Kuwaiti papers and an increase in the intensity of competition among them in order to acquire readers from tlhese communities. While AL-WATAN is considered the newspaper with the greatest circulation in circles of the Palestinian community because of its objectivity, broad press coverage and political analyses, the paper AL-SIYASAH is the preferred paper among members of the Egyptian community. This paper is distinguished from others by emphasis on news of Egypt and it takes positions supporting and backing Egyptian policies, including those of Camp David. Its owner and editor in chief was one of the journalists closest to the late President al-Sadat, then to President Husni Mubarak after him. The newspaper AL-SIYASAH asks a number of Egyptian writers to write, in order to strengthen this orientation.

The Kuwaiti press enjoys a margin of freedom which perhaps does not exist in many other Gulf countries, especially following parliament's abrogation of the article of the law which gave the government the right to suspend any printed matter for a period of days or more if it published news or articles which threatened security, created strife in the country or caused harm to the government and its foreign policies. Press violations are now handed over to the judiciary for discussion. No journalist has happened to be imprisoned since this article of the law was abrogated, and all the provisions are now restricted to fines of no more than 50 Kuwaiti dinars. The judiciary is the arbiter now, and any infliction of harm or contempt is handed over to the judiciary, same as any other matter.

Mr Yusuf al-'Ulayyan, chairman of the Society of Kuwaiti Journalists, says that the society at present now contains Kuwaiti journalists and journalists residing in Kuwait, and gives resident (non-Kuwaiti) journalists the right to vote, although they do not have the right to run as candidates for any seat in the society. The society also treats everyone equally as far as social insurance goes and there is a fund the society established which assumes the task of caring for journalists.

A Gulf Journalistic Federation

It has been pointed out that Mr al-'Ulayyan recently made a tour, at the head of a Society of Kuwaiti Journalists delegation, to discuss the possibility of establishing a society accommodating all the journalists in the Gulf. After returning, he said that the delegation received a warm reception on the part of press societies and institutions when it presented them with this idea.

A person visiting Kuwaiti newspaper houses these days will notice the presence of a generation of Kuwaiti journalists and writers who have started to take over the lead articles, columns and major positions in these papers. Some newspaper editors in chief refuse to use the word "Kuwaitization" in its literal sense to describe this phenomenon, and settle for saying that what is happening now is a "restoration of balance" that had been lacking in the past and that the new generations of Kuwaitis have imposed themselves on the press, especially since some of these people have studied journalism and other media arts in Kuwait and abroad, and it was natural that these journalists would find places for themselves in the publishing houses commensurate with their competence and enthusiasm.

Mr 'Abd-al-'Aziz al-Musa'id, owner of the al-Ra'y al-'Amm press and publishing house, which issues the oldest daily paper in Kuwait, the newspaper AL-RA'Y AL-'AMM (founded in 1961), describes the state of the Kuwaiti press now as similar to that of the Lebanese press in the early seventies, in terms of freedom and journalistic progressivism. However, he goes on to state that there are basic rules which control this freedom and make it a responsible freedom. The dean of public opinion says that he rejects the styles of press provocation and drumming and trumpeting.

Mr Muhammad Jasim al-Saqr, the editor in chief of the Kuwaiti newspaper AL-QABAS, admits that the economic conditions Kuwait, like other Gulf countries, is experiencing at present because of the drop in oil prices have indirectly affected the Kuwaiti press and its economics. He says that the security issue for its part has had a tangible effect; because of the security question a decree was issued prohibiting the sale of papers on the streets and in front of traffic signals at peak traffic hours. However, it has been possible to make up for this loss or part of it by the government's allowing the sale of papers in grocery stores and cooperative societies.

It was natural that the economic crisis should be reflected on the revenues of the Kuwaiti press. This crisis has been directly reflected on material revenue from advertising, and the issuance of a decree regulating the process of declaring deaths and the condolences and other things subordinate to that has reduced these papers' income.

The subject of the Kuwaiti press continues to be more provocative than the titles on its papers, especially when these titles speak about the Gulf war. Some people describe these papers as having become "the first press of the Arabs," while others consider that it is a unique experience which bears within itself the seeds of danger, but in any case it is a phenomenon which merits study and reflection.

11887
CSO: 4404/253

QATAR

ZONES AND STREET NAMES IN DOHA

Dubayy KHALEEJ TIMES in English 9 Mar 86 p 4

[Text]

IN two years, every house in Doha will have a number, and every street a name.

A sample zone with street names and zone number is ready, and work on naming the main roads has begun.

After 60,000 name plates in English and Arabic have been erected, it will be possible to address a letter to an individual, not to a post box number, but to his home.

Work on the Qatar Area Referencing System (QARS) began nearly two years ago. "We wanted to adopt a somewhat unique system," said Wafi Boulos, project coordinator. It had to suit the peculiar radial growth of Doha, accommodate future expansion and keep the new names and zones as familiar to the people as possible. Qatar is marked by what the QARS terms radial roads such as Rayyan, Salwa or-Umm Said. In addition: there are the newly-constructed ring roads.

The QARS decided to take the traditional 'fareeks' or family areas, as the basic unit. 'Fareeks' are areas of a particular family, like the Khulaifat, of Khulaifis and Salata of Sulaitis. Hence, the basic zone is still a 'fareek' bounded on four sides by primary roads, or double carriageaways. There are 67 such zones in Doha and about 100 in Qatar. Mr Boulos said it had been possible to stick to the 'fareek' boundaries in most areas.

Provisions has also been made for expansion of buildings and roads. Even empty lots have been marked, and will be numbered. "The system can absorb expansion up to the year 2000," Mr Boulos said.

The sample zone number 64, which is a senior staff area, is bounded on four sides by the Khalifa Road, Al Jamaiah Road, Al Istiqlal Road and Al Markhiya Road.

Mr Boulos said roads had been divided into primary, secondary and tertiary and would be named in that order.

The work in the next two years is divided into seven phases. The first will see names for primary roads bordering zones, the second phase will involve work on the central area of Doha, and then it expand toward the ring roads counter-clock wise.

Government offices have already begun a card system to designate the zone and official street names. In future, water and electricity bills and health cards will be marked accordingly. A government card will have eight digits, the first two for the zone, the three next for street number and last three for the house. But the common man need not worry about street numbers, as they are for official use only. Street numbers will be seen in a tiny portion of the plaque. Knowing the house number, the street name and the zone number will be sufficient for the public. Identification of houses by postmen in future, and services such as telephones and water will be easier.

Mr Boulos said there would be no repetition of street names, even if the zones are different. For instance, there will be only one Mohammad Street in all of Doha. House numbers may be repeated. All data will be fed into a computer and the usage, standardised in all ministries and offices.

Mr Boulos said a contract will soon be awarded to educate the public, on the new system. A media campaign will be launched to familiarise the public with the new names and numbers, and to help them use the new system effectively.

/9274
CSO: 4400/140

UNITED ARAB EMIRATES

PRELIMINARY RESULTS OF 1985 CENSUS SHOW UNEXPECTED INCREASE

Dubayy AL-BAYAN in Arabic 20 Jan 86 p 2

[Article by 'Ali Lashin: "1985 Indicators of Population Census; Increase Twice the Estimate of the World Health Organization"]

[Text] The preliminary results of the 1985 public census of people and establishments indicate that over the past 5 years the population has increased by 580,464 people, or 55.7 percent. This is twice the number expected by the WHO, which indicated in its estimations that the increase would be about 311,000, or only 25.8 percent.

Further, the preliminary results of the census indicate that the number of males in the country has reached 1,052,577, a proportion of about 65 percent, and that the number of females has reached 569,887, or a proportion of 35 percent.

The male population increased by 332,577, or 46.2 percent, while the female population increased by 247,887, or 77 percent.

The results of the census show population increases of 218,125, or 48.25 percent for the emirate of Abu Dhabi, and 143,104, or 51.84 percent, for the emirate of Dubayy.

The population increased by 109,723, or 69 percent, for the emirate of al-Shariqah, and by 42,470, or 57.4 percent, for the emirate of Ra's al-Khaymah, and by 28,318, or 78.7 percent, for 'Ajman.

The population increased by 22,425, or 70 percent, in the emirate of al-Fujayrah, and by 16,299, or 125.4 percent in the emirate of Umm al-Qaywayn, doubling the population of that emirate over the past 5 years.

Numbers and Indications

The preliminary results of the census raise a number of very important questions. Can the population increase be traced to a natural increase, that is, to the difference between the number of births and the number of deaths, or can it be traced to an increase in the number of arriving workers?

If the latter factor is the reason, how can this be explained since most of the infrastructure projects in the country have come to an end, and the rate of growth of construction activity has slowed?

Have the workers in the construction sector moved to other economic sectors? This will be shown by analysis of the results for the number of establishments and analysis of the report on economic activity and knowledge of the unemployment rate.

That is to say, analysis of reports on the employment situation and age groups will show the number of employees, the number of those who are not of work age, and the number of wage-earners in the nation.

There is another question about the reason for such a large percentage increase in the population. Can it be traced to an increase in the number of domestic servants, and did this group increase in a major way, particularly after the phenomenon of employing more than one servant spread to many local and newly arrived families along with the increase of homes and the total number of rooms in each house, and the decrease of rents and stabilization of living standards and a rise in the level of personal income?

The increase in the proportion of males to females, 65 percent to 35 percent, indicates that the country is still an attractive area for workers coming from abroad, most of whom are unmarried.

Among other important questions raised by the preliminary results of the census is the large increase in the population in some of the emirates, which was more than 100 percent in one emirate, more than 70 percent in two emirates, more than 50 percent in 3 emirates, and 48 percent in one emirate.

Can the rise in the percentage of increase in some of the emirates be traced to a rise and growth of economic activity, an increase in the number of farms and factories and commercial and service activities, or can it be traced to a lowering of the level of rents, and, consequently, to emigration from one emirate to another in search of suitable housing for suitable rents?

In closing, the final results of the census, which are expected to be announced within 6 months at the most, will answer these questions. Other questions which need special research to be answered remain.

12780
CSO: 4404/248

UNITED ARAB EMIRATES

GULF PETROCHEMICAL INDUSTRY CONSIDERED

Dubayy AL-BAYAN in Arabic 12 Jan 86 p 17

[Article by 'Abdallah Muhammad Tayyib Khuri: "The Petrochemical Industry and the Contemporary Challenges Facing the GCC States"]

[Text] The discovery of oil in the modern era has given great opportunity for an industrial revolution,especially after the appearance of automobiles and engines. Whole industries have become fundamentally dependent on crude oil and various sciences have been built on the search for oil and ways to drill for it, produce it, transport it, refine it, use it, and market it, and various scientific studies have been conducted on ways to transform energy and the like.

The states of the GCC have achieved complete control over their oil resources. Therefore, the processing of oil has become a element in the industrial development plans of these countries, particularly in the area of petrochemical and chemical fertilizer plants, since the interdependence of oil and the petrochemical industry is a natural phenomenon in an area fundamentally dependent on this resource. Special economic theory about increasing the added value of a resource makes incumbent the processing of oil and its conversion into products with a higher return. This can only be done by the creation of a petrochemical industry in addition to oil refining and chemical fertilizer plants.

The Meaning and Characteristics of the Petrochemical Industry

Petrochemicals is the name given to any chemical compound or element produced from oil or natural gas. Petrochemical products are divided into primary, intermediate, and final products according to the production chain of this resource.

Among the most important of the primary petrochemical materials are ammonia, methanol, ethylene, (propylene), and butadiene. There are many intermediate petrochemical materials, which form a link between the primary and final materials. The most important of them are acetic acid, formaldehyde,acrylonitrile, ethylene dichloride, phenyl, phenyl chloride monomer, and acetone.

The final petrochemical materials are those such as nitrogen fertilizer or industrial solvents, which can be used directly, or such as plastics, synthetic fibers, or synthetic rubber, which can be made into other things.

Characteristics of the Petrochemical Industry

1. Capital intensiveness. This is because of the large size of the production units and the high cost of equipment and the need for special and distinctive infrastructures, such as supply ports and shipping and storage systems.

2. Economies of scale. The cost of production per unit decreases for every increase in size of the production unit.

3. The importance of basic resources is very great in the cost of production. The cost and availability of the basic hydrocarbon resources are considered important elements in determining the economics of the petrochemical projects.

4. The importance of research and development. This is a significant characteristic, because one of the aspects of success in this industry is the parade of rapid progress in equipment and means of producing and utilizing new primary materials. That which is deprived of research and development is made obsolete by the market.

5. The sale of products. The market is distinguished by general lack of stability.

Petrochemical Plants in the GCC

The countries of the GCC have delayed entering petrochemical industries, for a number of reasons, including the following.

1. The lack of availability of the necessary capital to build projects such as these when our natural resources were run by others, and all of our benefits went to them.

2. The waste of gas, which was burned rather than used as a material to establish the petrochemical industry

3. The lack of the scientific and technical background suited to establishing this industry. I remember here, by way of example, in 1970, the Esso Company, among other American companies, accepted a temder offered by the Saudi Basic Industries Corporation to international companies to enter with it into joint projects. However, the Europeans, including the Shell Company, were reluctant to do this, and naturally, therefore, the chemical industry in Europe is now, with the beginning of production by new Saudi facilities, in a state of feverish excitement.

Table 1 shows the existing nitrogen fertilizer projects in the states of the GCC, the history of some of which goes back to the sixties, as in Kuwait, where production of the plant located in al-Shu'aybah area began in 1966, or as in Saudi Arabia, where production at the Dammam plant began in 1970.

The other petrochemical plants did not begin operation until the mid seventies. The Qatar Petrochemical Co., Ltd. (QAPCO) was built in 1974, in partnership with a French company. The plant was built in the industrial area of Umm Sa'id with a projected volume of 280,000 tons of ethylene and 140,000 tons of low-density polyethylene per year. After that, came the projects of the Saudi Basic Industries Corporation (SABIC), most of which were set up in the two new industrial cities of al-Jubayl and Yanbu'. These two cities have some of the most advanced and developed public utilities in the world, because they were designed with the capacity needed to deal not only with primary industrial products, but also with the oil and secondary plants whose products SABIC uses for raw materials. The industrial city of al-Ruways is not far from either of these two cities.

In the United Arab Emirates, the Abu Dhabi National Oil Co. (ADNOC) expects to inaugurate a project in 1987/88 that will have an annual production capacity of 450,000 tons of ethylene a year.

Table number 2 shows the existing and planned projects in the states of the GCC, while table number 3 gives a comparison between expected production in the region and the world for several products. We conclude from the table that the states of the GCC must coordinate their efforts among themselves and fight to gain their share of the world market, in a manner similar to that of the European governments when faced with the Saudi petrochemicals some time ago. I remember here another time when the petrochemical industry was marked by rapid development in equipment and means of production and use. Therefore, the existence of a technical and scientific background is necessary to support the plants and to set up research and development operations at all stages of this industry to face the unstable markets and their interwoven demands. Therefore, it is necessary that there be special departments for scientific research and development to keep up with this industry in the world, an even to surpass it. Without something like this, we can not guarantee that we will not be pushed into leaving the world market totally in the distant future.

Table 1 - Existing Nitrogen Fertilizer Projects in GCC States

State	Location	Products	Capacity in thousand tons	Startup
United Arab Emirates	al-Ruways	Ammonia	297	1984
		Urea	450	
Saudi Arabia	Dammam	Ammonia	180	1970
		Urea	300	
	al-Jubayl	Ammonia	576	1983
		Urea	870	
Qatar	Umm Sa'id	Ammonia	297	1980
		Urea	330	
	Umm Sa'id	Ammonia	297	1981
		Urea	330	
Kuwait	al-Shu'aybah A, B	Ammonia	660	1966
		Urea	792	
		Ammonia Sulfate	165	

From MAJALLAT AL-TIJARAH AL-'ARABIYAH AL-'ALAMIYAH, December 1985, vol 38, no 5, on Saudi production, and MAJALLAT AKHBAR KHALIJIYAH on Kuwait's and Qatar's production, August issue.

Table 2 - Existing snd Planned Projects in GCC States

State	Location	Product	Capacity in thousand tons	Startup
United Arab Emirates	al-Ruways	Ethylene	450	1987/88 (expected)
Saudi Arabia	al-Jubayl	Ethylene	656	1984
		Styrene	295	
		Ethylene Dichloride	454	
		Ethanol	281	
	Yanbu'	Ethylene	450	1985
		Polyethylene (low density)	200	1985
		Polyethylene (high density)	91	
	al-Jubayl	Ethylene	500	1985
		Polyethylene (low density)	70	
		Polyethylene (high density)	105	
		Glycol	300	
	al-Jubayl	Methanol	660	1983
	al-Jubayl	Methanol	693	1984
	al-Jubayl	Polyethylene		1985
(low density)	260			
		Ethylene	450	
	al-Jubayl	Polyethylene (low density)	250	
		Polyethylene (high density)	80	
		Ethylene Glycol	150	
Qatar	Umm Sa'id	Ethylene	280	1980
Polyethylene				
		(low density)	140	
		Polyethylene (high density)	70	
		Propylene	5	
Bahrain (joint project with	Sitrah	Methanol	330	1986
Kuwait and Saudi Arab)	al-Bahrain	Methanol	330	1986
Kuwait	al-Shu'aybah	Ethylene	350	1986
		Polyethylene (high density)	130	
		Ethylene Glycol	135	
		Styrene	340	
		Benzene	280	
		Ortho-xylene		60
		Para-xylene	86	

Table 3 - Regional Production, 1987 (thousand tons)

State	Ethylene	Polyethylene (low density)	Methanol
United Arab Emirates	405	---	---
Bahrain (joint project)	---	---	297
Saudi Arabia	2254	780	1218
Qatar	280	140	---
Bahrain	350	---	---

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CSO: 4404/248

INCREASED TRADE WITH YUGOSLAVIA DISCUSSED

Dubayy AL-BAYAN in Arabic 29 Jan 86 p 2

[Article by Husayn Anwar: "Yugoslavian Delegation to Discuss Setting Up Trade Office in Dubayy; Conference of Bankers of the Two Countries To Meet in Dubayy in April"]

[Text] Nikola Filipovic, president of the Yugoslav Economic Chamber, told AL-BAYAN yesterday that the Yugoslav Economic Chamber will send a special delegation made up of Yugoslavian economic officials to Dubayy in the coming days to discuss the possibilities of setting up a Yugoslavian trade office in Dubayy to work to develop commercial exchange with the region. He said that both sides desire to support all forms of economic cooperation, pointing to the fact that the Yugoslavian delegation that is currently touring the region has begun discussions on establishing joint projects between Yugoslavia and the states of the region.

Agreement was reached in talks held yesterday morning between the Yugoslavian delegation and the Dubayy chamber on holding a joint conference for Yugoslavian and Dubayy bankers to discuss ways to strengthen financial and banking cooperation between the two sides in Dubayy this coming April.

The head of the delegation, which includes 11 senior officials from various economic sectors, spoke in glowing terms about the level of Arab-Yugoslavian economic cooperation, particularly in the area of "turn key" projects undertaken by specialized Yugoslavian agencies. He said that recent years have witnessed a great push in relations, particularly with Dubayy and states of the region, subsequent to agreements with a number of economic luminaries to be representation for Yugoslavian products.

During 2 hours of discussions at the offices of the Dubayy chamber, Sa'id Jum'ah al-Nabudah, the head of the Dubayy chamber, called on the delegation to work to further commercial exchange with the region with three suggestions:

1. Provision to send more exhibition and marketing delegations and provision to set up more independent or joint international exhibitions in Dubayy both to become familiar with the local markets and to become acquainted with Yugoslavian products.

2. A study on establishing a trade office for Yugoslavia in Dubayy, as 27 states have done already.

3. A study on benefitting from the free zone in Jabal 'Ali, which the government of Dubayy established last year and provided with the best infrastructure facilities, delivery equipment, and warehousing. The largest ports in the Middle East are currently found in this area, and it has refrigerated warehouses, large areas in which to set up import and distribution warehouses, and to build industrial projects and assembly plants.

He added that Dubayy's imports from Yugoslavia have grown remarkably in recent years, by about 50 percent. This is considered an outstanding accomplishment if we take into consideration the international economic stagnation. They increased from about $5.5 million in 1981 to about $8.7 million this last year. This is an outstanding result, but we must constantly strive for more. Our imports from Yugoslavia represent a small percentage of our total imports, which amount to about $5 billion dollars annually, while the production and export capabilities of Yugoslavia are very great, a fact that makes us feel that we are still at the beginning of the path.

Petar Kostic, the Yugoslavian ambassador to Dubayy, Sa'id al-Kindi, the first deputy chairman of the Dubayy chamber, and a number of officials, businessmen, and merchants were present and talked about ways to strengthen relations.

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CSO: 4404/248

BANGLADESH

CHOWDHURY BRIEFS PRESS ON RELATIONS WITH INDIA

Dhaka THE BANGLADESH OBSERVER in English 2 Mar 86 pp 1, 10

[Text]

Foreign Minister Humayun Rasheed Choudhury on Saturday said that the Government of India should urgently arrange to hand over the possession to Bangladesh the Tin Bigha corridor as agreed upon in as early as 1974, reports BSS.

He said Bangladesh had honoured "our part of the agreement" in handing over Berubari under the 1974 Land Boundary Agreement but lamented that New Delhi was unusually delaying the handing over of the Tin Bigha corridor for the two Bangladeshi enclaves of Dahagram and Angorpota.

Replying to questions at a Press briefing at the Foreign Office, the Foreign Minister said that the delay in handing over the Tin Bigha corridor was "telling upon the image of India as well as bilateral relations".

He suggested that the long delay was also "telling upon our patience. We are becoming impatient about it".

"India is honour-bound and it is under treaty of obligation for her to expedite the quick transfer of the Tin Bigha" Mr Choudhury said.

Under the 1974 Land Boundary Agreement, India is to hand over the possession of the Tin Bigha corridor—a strip of land to Bangladesh on a perpetual lease to facilitate communications with the two enclaves of Dahagram and Angorpota as well as their administration.

The Foreign Minister said that Bangladesh was not convinced about the reasons for such unusual procrastination in resolving the Tin Bigha issue.

When his attention was drawn to recent, Press reports about blockading of Bangladeshi nationals of the two enclaves of Dahagram and Angorpota by the Indian Border Security Forces, he said those "are without foundation".

He said "preliminary investigations" made by relevant authorities suggested that "the Press reports are not quite factual".

He however, said that further confirmation from other relevant agencies in Bangladesh was awaited before the matter could be formally taken up with New Delhi.

Replying to another question about recent communal disturbances in India Mr Choudhury said: "We are concerned at the plight of the Muslims in India as well as in anywhere in the world".

But he hastened to add that "we are satisfied with the intention and action of the Government of India in containing the disturbances. We have watched the situation carefully and are satisfied with the action taken by their Government".

When asked to describe the present state of Indo Bangladesh relations the Foreign Minister said 'it always has life—it has its ups and downs'.

Mr Choudhury referred to recent Press reports in India which suggested that India was going to resume its barbed wire fence project along Bangladesh's border.

The Foreign Minister spelt out the Bangladesh position on the barbed wire issue. 'We consider building of any structure within zero line as illegal. We consider building of any structure within 150 yard—or even beyond, as contrary to agreements'.

He said building of the barbed wire fence along Bangladesh's border 'is not at all conducive to an atmosphere of good relations and mutual trust'.

He also referred to a recent statement by the newly elected Chief Minister of the Indian Assam state Mr Prafulla Mahanta who was reported to have said that immigrations from Bangladesh had decreased.

The Minister said that the question of decreasing immigration from Bangladesh into Assam did not sound relevant when Dhaka has consistantly protested such allegations.

He said the question did not arise since there 'are not any Bangladeshi immigrants. There is no migration from Bangladesh to India'.

He also referred to the progress in the Ganges water augmentation talks and the renewal of the water agreement as positive signs towards improving bilateral relations.

Foreign Minister Humayun Rasheed Choudhury on Saturday claimed that 1985 had been an 'eventful and successful year' in carrying out the foreign policy objectives of developing the country's relations with other countries.

'With neighbours Bangladesh's relations manifested a promising growth' he told reporters at a briefing at the Foreign Office.

He said the country's external relations were marked by expansion of cooperation in economic commercial educational and cultural fields and 'most importantly through structured regional cooperation in South Asia'.

The Foreign Minister referred to the successful holding of the SAARC Summit.

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CSO: 4600/1532

REPORT ON MEETING OF BANGLADESH-NEPAL COMMISSION

Dhaka THE BANGLADESH OBSERVER in English 1 Mar 86 pp 1, 8

[Text] Bangladesh and Nepal on Friday stressed the need for increasing the volume of trade between the two countries through diversification of trade and concessional tariff rates, reports BSS.

The review group meeting of Bangladesh-Nepal Joint Economic Commission which met in Dhaka on Friday hoped that the long-term trading agreement and a banking agreement to be signed in Dhaka in April would promote a balanced and stable pattern of trade between the two countries.

During the meeting Bangladesh side called for reduction of tariff rates to make Bangladeshi products competitive in Nepalese market, according to an official handout.

The whole range economic and technical cooperation between Bangladesh and Nepal came up for review at the meeting which agreed to give new thrust for the implementation of decisions taken by the fifth session of the joint economic commission in the fields of industry, trade, transport, tourism, communications and banking and technical cooperation.

The Bangladesh side was led by Mr Abdus Samad Section Chief External Resources Division Ministry of Finance and the Nepalese side was led by Mr Heet Singh Shreshta Additional Secretary, Ministry of Finance. They signed the agreed minutes on conclusion of the meeting.

The two sides felt the necessity to further expand cooperation between the two countries specially in view of the new momentum of cooperation generated since the first SAARC summit of South Asian leaders in Dhaka.

/8309
CSO: 4600/1530

INDIANS ASKED TO RELEASE ARREST ENCLAVE INHABITANTS

Dhaka THE BANGLADESH TIMES in English 28 Feb 86 pp 1, 8

[Text] Rangpur, Feb 27—The Deputy Commissioner of Lalmonirhat and the local BDR Commander requested their Indian counterparts yesterday to release the 17 inhabitants of Dahagram and Angorpota enclaves, arrested by Indian Border Security Forces (BSF) on February 17.

The local BDR battalion commander in a wireless message transmitted to his counterpart Indian BSF commander to handover the 17 Bangladeshis through a flag meeting.

The Deputy Commissioner of Lalmonirhat in a similar message sent to the district magistrate of Kuchbihar (India) requested the latter to ensure immediate release of the arrested Bangladeshis.

According to information gathered here, the 17 Bangladeshis were arrested by Indian BSF men when they were on their way to the Indian Mekliganj Hat to do shopping.

A 1981-agreement between Bangladesh and India entitles the inhabitants of Dahagram and Angorpota enclaves to do their sale and purchase from Indian Mekliganj and Dhaprahat bazars.

The 12 thousand inhabitants of these two enclaves who are surrounded by Indian territory on all sides are also entitled under that agreement, to avail medicare facilities in Indian territory.

Local Indian citizens and the Indian BSF, however, are often found not to respect the terms of the agreement, and haras the inhabitants of the two enclaves. The inhabitants of the two enclaves are cut off from mainland as India is yet to handover the Tinbigha corridor to Bangladesh under Indira-Mujib agreement of 1974.

Meanwhile, the names of 12 out of 17 arrested inhabitants of the enclaves could be gathered till today. They are: Syed Azharul Huq Pradhan, Abu Bakr Siddiqul, Hashral Hossain, Sulaiman Ali, Bashara Mohammad, Khocha Mia, Oktaruddin, Shamser Ali Master, Hossain Ali, Abdus Sobhan, Mughal Mia.

/8309
CSO: 4600/1529

EXPORT EARNINGS FIRST HALF 1985-1986 UNSATISFACTORY

Dhaka THE BANGLADESH TIMES in English 28 Feb 86 pp 1, 8

[Text] The export earnings of the country fell by 1.81 per cent in term of Taka and 7.49 per cent in term of dollar during the first six months of the current fiscal year (1985-86).

This was stated by Commerce Minister Kazi Zafar Ahmed at the 12th meeting of Export Promotion Council on Thursday at Hotel Sheraton. Commerce Secretary Mr. A.B.M. Ghulam Mostafa, President of Federation of Bangladesh Chamber of Commerce and Industry Mr. M.A. Kashem and Mr. R.A. Majumdar, Vice-Chairman of Export Promotion Bureau, also addressed the meeting among others.

The Commerce Minister said that the total export earnings during the 1st six months of the current year was Taka 1303.50 crore and in term of dollar the 446.56 million. The target for the year was Taka 2,655 crore and 965.45 million dollar in term of foreign currency.

Kazi Zafar Ahmed said that the export earnings during the first six months of the current year could not be termed as satisfactory.

He pointed out that Taka was devalued against dollar on several occasions during the period under review which created a bad effect on the export earnings. Besides, fall in the prices of some of the major exportables of the country in the international markets also hindered in the growth of export earnings, he said.

The Commerce Minister said that the production of jute and tea had increased substantially this year following a record price obtained by the two commodities last year in the international markets. But, market of these two items shrunk due to the high prices, he said.

Commerce Secretary Mr. A.B.M. Ghulam Mostafa pointed to the recent Bangladesh U.S. agreement on readymade garments and said that it would now be possible to solve the problems of local garments industries to a great extent. He said that a high-powered delegation would visit socialist countries in April to explore markets of readymade garments of Bangladesh.

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CSO: 4600/1529

BANGLADESH

BRIEFS

BAKSAL OFFICERS CHOSEN--Mr Mohiuddin Ahmed and Mr Abdur Razzak were re-elected Chairman and General Secretary of Bangladesh Krishak Sramik Awami League in its two-day national council which concluded on Friday. The eleven members of the presidium are Mr Abdul Momin Talukdar, Mr Abdur Rahim, Mr Lutfur Rahman, Mr Mazharul Islam, Mr Shamsuddin Molla, Mr Azizul Huq Miah, Mr Fazlul Karim, Mr Abdul Hadi, Mr Syed Ahmed and Mr Quamrul Islam Rais. Members of the party's secretariate are Sardar Amjam Hossain, Mr Hemayetuddin Ahmed, Mr Monavem Sarkar, Professor Abu Sayeed, Fakir Abdur Razzak, Mr Shamsul Alam Dudu, Mr Alamgir Kabir, Mr Abdul Quddus, Mr Hashimuddin Haider Pahari, Mr Bahlul Majnun Chunnu, Mr Ramesh Chandra Roy and Mr Mukul Bose. A meeting of the newly elected Central Executive Committee of the party will meet at 10 a.m. today (Saturday) at the party central office. [Text] [Dkaha THE BANGLADESH OBSERVER in English 1 Mar 86 p 8] /8309

MUSLIM LEAGUE LEADERS--Kazi Abdul Kader and Mr M.A. Matin have been elected President and Secretary-General respectively of Bangladesh Muslim League. The election was held at the residence of late Khan A. Sabur on Friday. Messrs M. Hannan, Ainuddin Ahmed and Sirajuddin have been elected Organising Secretary, Publicity Secretary and Treasurer respectively of the Muslim League according to a party Press release signed by Mr Ibrahim Hossain, chairman of the election commission. [Text] [Dhaka THE BANGLADESH OBSERVER in English 1 Mar 86 p 8] /8309

FOODGRAIN PROCUREMENT PLANS--Jessore, Mar 4--Five lakh tons of foodgrains will be procured during the current financial year, Food Minister Maj Gen Mahabbat Jan Chowdhury said here today reports BSS. The Minister said out of a target of 3 lakh tons 2 lakh tons of rice have already been procured. The wheat procurement target of the fiscal 1985-86 has been fixed at 2 lakh tons. The Minister was addressing the food officials of greater Jessore and Kushtia districts here at the local Circuit House in the morning. Director General of food Sved Alamgir Farooq Chowdhury and Regional Controller of Food Abdus Sattar also spoke at the meeting. General Chowdhury asked the officials to take allout preparations for the coming wheat procurement. While emphasising on wheat procurement the Minister said efforts must be taken so that we can meet the distribution requirement. [Text] [Dhaka THE BANGLADESH OBSERVER in English 5 Mar 86 p 10] /8309

AMBASSADOR TO ROMANIA--The Government has decided to appoint Mr M. Anwar Hashim, Director General in the Ministry of Foreign Affairs, as Ambassador of Bangladesh to the Socialist Republic of Romania, foreign office sources said yesterday, reports BSS. [Text] [Dhaka THE NEW NATION in English 6 Mar 86 p 3] /9274

NEW BURMESE AMBASSADOR--Mr U. Soe Myint has been appointed Ambassador of Burma to Bangladesh, the Foreign Office announced yesterday, reports BSS. Born in 1985 [as published], Mr U Soe Myint graduated from the University of Rangoon. He joined ministry of Foreign affairs in 1970 and served in various capacities at permanent mission of Burma to UN, New York and also at the Burmese embassies in Washington and Beijing. He is married and has two children. [Text] [Dhaka THE NEW NATION in English 6 Mar 86 p 3] /9274

CSO: 4600/1538

MANY MORE GAS LEAKS REPORTED SINCE BHOPAL

Bombay THE TIMES OF INDIA in English 6 Mar 86 p 20

[Text] New Delhi (UNI)--Contrary to the hope that Bhopal gas tragedy will lead to stringent safety regulations in industry, many gas leakages have since been reported.

Firstly, on December 11, 1984, an ammonia tanker collided with an empty tanker at Chandigarh. The same week chlorine gas leaked from a plant near Cochin on August 11, 1985, sulphuric acid fumes escaped from two plants at Kanpur, and then ammonia leaked from a chemical unit in Bombay.

On October 7, 1985, chlorine leakage was reported from a factory near Thana. On December 4, 1985 oleum fumes leaked from a plant in Delhi.

This year on February 16, carbon monoxide leaked from a tank of BHEL plant at Tiruchirapalli and on the same day gas leaked from the steel plant at Rourkela.

An ILO report points out: "Even though the statistics are inadequate, the rate of such accidents is several times higher in the developing countries than the developed. During last two decades while the labour force increased by 2 and 3 per cent in developing countries, industrial accidents increased by 5.3 per cent."

Indian Rate

"India is recognized to have one [of] the highest rates of industrial accidents," says a study by Dr. R.R. Nair of the Central Labour Institute (CLI), Bombay. The study further says: "Over the last 30 years, nearly 36,000 workers have been killed and 6.4 million injured in industrial accidents."

Studies by the Central Labour Bureau, Simla, National Institute of Occupational Health (NIOH), Ahmedabad, and some other institutes have revealed that over 7,000 deaths occur per annum in industrial accidents--three times the magnitude of Bhopal.

The industrial fatality rate in India is currently estimated as 0.14 per 1,000 workers, five to seven times higher than those prevailing in developed countries such as Japan (0.02), the U.K. (0.03) and the U.S. (0.03).

Even higher is the fatality rate in the unorganized sector. However, if the same figure is applied for industrial accidents, nearly 10,000 are killed every year.

Worst Sectors

A survey by the industrial design centre (IDC), Bombay, and industrial toxicology research centre (ITRC), Lucknow, reveals that five industrial sectors--textiles, metallurgy, machinery, manufacturing, chemicals and transport--are more accident-prone, accounting for over 80 per cent of the injuries.

The textiles sector alone, which employs 24 per cent of India's industrial work-force has the highest share--54 per cent of industrial accidents.

In fact, injuries in the textile industry have grown by 625 per cent between 1951 and 1978 while employment has grown by only 38 percent.

Four states, Maharashtra, West Bengal, Gujarat and Tamil Nadu with 49.6 per cent of the total factory employment, account for over 66 per cent of the injuries.

Maharashtra with 17.78 per cent employment has the highest share with 24.13 per cent of injuries, followed by West Bengal with 13.30 per cent employment and 22.21 per cent injuries.

Nearly five million man-days are lost each year through industrial accidents. The state insurance corporation and the compensation board pay out nearly Rs. 150 crores for the injuries.

Indirect costs like loss of production, damage to equipment and medical fees have also to be counted. The Loss Prevention Association of India estimated that total annual loss at Rs. 2,000 crores.

A common feature of the industrial accidents is that early warnings are ignored.

The negligence that characterises industrial operations was exposed by a committee headed by Dr. R.K. [name indistinct], head of the chemical engineering division, Bhabha Atomic Research Centre. The committee said: "Only 7 per cent of the chemical factories are safe."

Trade Unions

In developed countries, trade unions have exercised greater pressures in improving safety standards. Safety laws in Sweden give adequate powers to the worker's representatives to investigate and seek necessary information for discharging their duties.

Unfortunately, trade unions have not paid any attention to safety regulation in India. Only 40 of 800 unions are members of the National Safety Council.

India is not alone in third world countries where industrial accidents are prevailing. There are thousands of potentially hazardous plants in Philippines, South Korea, Singapore, Taiwan, Mexico, Brazil and Indonesia.

According to a report by the industrial development research centre, Canada: "During 1984 Singapore had reported 1,046 industrial accidents. In the second week of December 1984, in Taiwan, a methane gas explosion claimed 35 lives. A reservoir of liquified gas exploded on November 19, 1984, in Mexico killing 452 people.

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CSO: 4600/1525

INDIA

RESEARCH CENTER REPORTS 14 MAJOR RIVERS POLLUTED

Bombay THE TIMES OF INDIA in English 2 Mar 86 p 8

[Text] NEW DELHI, (UNI): ALL the 14 major rivers of India are highly polluted, according to a study.

Besides the Ganga, these rivers include the Yamuna, Narmada, Godavari, Krishna and Cauveri. These 14 rivers carry 85 per cent of the surface run-off and their drainage basins cover 73 per cent of the country.

Mainly because of this pollution, more than 60 per cent of the diseases in the country are water-borne and nearly 73 million working days are lost because of these diseases, according to a report by the National Environmental Engineering Research Institute (NEERI), Nagpur, The loss of productivity is about Rs. 600 crores a year.

While the Centre has taken up a detailed project to cleanse the Ganga, neither the Centre nor the state governments have any plans to cleanse other major rivers. Industries in most of major towns and cities discharge their waste into the nearest waterways.

TOXIC EFFLUENTS

Toxic effluents deplete the levels of oxygen in the rivers, endanger all aquatic life and also render water absolutely unfit for human consumption. Some times, the effects have been disastrous.

For instance a comprehensive study by Dr. Som Shekhar of Bangalore University reveals that metal pollution in Cauveri and Kapila rivers in Karnataka is threatening the health of people in the riverine towns.

According to Dr. Shekhar, there are at least 12 villages along a 10-km stretch of the Cauveri, whose residents suffer from boils and a burning sensation.

Yet, the Cauveri continues to receive industrial wastes in Tamil Nadu.

"Extremely toxic effluents from a number of industries including fertilisers, chemicals and metallurgy are dumped into the Periyar, the largest river of Kerala, resulting in a high incidence of skin problems and fish mortality," says a study by Dr. K. K. Mahajan, department of environment.

BENGAL HORROR

The study adds: "Andhra paper mills dump about 4,500 gallons of toxic waste in the Godavari river every day. The high amount of organic matter reduces the oxygen of river water, killing plankton and affecting other aquatic life." Damodar and the Hooghly, two major rivers in West Bengal, receive untreated industrial wastes from a large number of industries.

The Damodar receives wastes from coal washeries, steel mills, chemical industries, distilleries, pulp and paper mills.

"In terms of oxygen depletion eight industrial units in Durgapur dump wastes that are equivalent to the sewage of a population of one million," estimates Dr. A. V. Natrajan of the Central inland fisheries research institute (CIFRI), Barrackpore.

The Hooghly estuary is choked by the industrial wastes from more than 150 major factories, which includes 87 jute mills, 12 textile mills, seven tranneries, five paper and pulp factories and four distilleries.

FISH CATCH FALLS

According to the CIFRI, pollution has reduced the fish catch considerably and contaminated fish resulting in the sparead of bone diseases and arthritis.

Fertiliser and petrochemical complexes are identified as among the worst polluters of water.

The Gujarat state fertiliser plant and Indian Oil Corporation discharge their effluents into the Mahi river. This has killed fish, cattle and even elephant "says" Chemistry and Industry, a British science journal.

A high level of pollution has been found in the Yamuna. Every day in its 48-km stretch through Delhi, the Yamuna picks up nearly 220 million litres of untreated sewage and industrial effluents from city's 17 open drains. The Najafgarh drain alone accounts for 54 per cent of the pollution.

According to Dr. Mahajan, apart from other toxic wastes, the Yamuna receives every day about 6,000 kg of dissolved solids, 3,000 kg of heavy metals and 200 kg of detergent.

The Chambal, one of the main tributaries of the Yamuna, is considered the most polluted river of Rajasthan. The Chambal's water is unfit for consumption as evidenced by the large number of cattle deaths.

"People living on either banks of the Chambal from Nagda to Rajpura in a stretch of 20 kms are suffering from skin diseases like rash and itching," says a study by the department of environment.

Even in Orissa, the industrially most backward state, the Rushikula river is extremely polluted. It gets toxic wastes from a factory manufacturing caustic soda, which has totally eliminated the fish from the river.

The Kalu river which flows through Ambernath, Ulhasnagar, Kalyan, Ambivali, Thana and Bombay's industrial suburbs has a high level of mercury, lead and other trace metals.

Fish get poisoned and cattle that graze on the plants in shallow water also accumulate mercury.

Symptoms of mercury poisoning like convulsions, hearing impairment, damaged vision and a numb sensation have been reported, "says a study by Dr. B. C. Haldar, director of the Institute of Science, Bombay.

Similar or even worse is the fate of other rivers in the country, the Krishna in Andhra Pradesh, Tungabhadra in Karnataka, Chaliyar in Kerala, Gomti and Hindon in U.P. Kanha and Narmada in Madhya Pradesh, and Sone and Subernekha in Bihar.

INEFFECTIVE BOARDS

India does have legislation on water pollution besides having water pollution control boards.

However the boards have been very ineffective in controlloing pollution because they cannot shut down a factory for persistently disregarding safe pollution levels. Rivers have become synonymous with drains and sewers.

Sometimes, offending factories are made to install pollution control measures after local residents exert pressure.

According to the Central board for the prevention and control of water pollution, there are more than 1,700 industries which need waste water treatment plants. Only 160 industries have such plants.

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INDIA

EVIDENCE OF LAWLESSNESS, HUMAN RIGHTS ABUSES DISCUSSED

Bombay THE TIMES OF INDIA in English 2 Mar 86 p 5

[Text] BOMBAY, March 1.

THE rule of law co-exists in India today with the reigon of terror, according to Prof. Upendra Baxi, director (research), Indian Law Institute, New Delhi.

He was delivering the Kumarappa-Reckless lecture on "Human rights in the administration of justice" at the Tata Institute of Social Sciences here today.

The docket of the Supreme Court is now exploding with accumulating prima facie evidence of the lawlessness of the Indian state, Prof. Baxi said.

Massive violations of human rights in the administration of criminal justice, custodial torture and tyranny, use of fatal force against suspects commonly described as "encounters", raping of women by the police, arbitrary arrests and detentions — these evils in Indian society showed that terror has come to stay as a part of governing India, Prof. Baxi said.

"Our protestations that India is a rule-of-law society are progressively muted by the growth of what Karl Marx described as the police-mniac character of the Indian state," he added.

The Prime Minister, Mr. Rajiv Gandhi's attempts to diminish the links between the "underworld and the overworld" need to be backed by a series of institutional reforms in law and institutions of policing and judiciary, Prof. Baxi said.

"The problem of human rights in the administration of justice has been recognised by the international community through the formulation of general and specific standards," Prof. Baxi observed.

Though India had been an active and leading participant in the formulation of these standards, yet its own laws were "bereft of this humane content", Prof. Baxi said.

The constitution had yet to be amended to declare as a fundamental right every person's right to be immune from cruel, inhuman and degrading treatment. he added.

Prof. J. J. Panakal, noted criminologist, said that the Kumarappa-reckless lectures were organised annually to commemorate the services rendered by Dr. J. M. Kumarappa and Dr. Walter C. Reckless in the field of criminology.

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INDIA

MUSLIM DIVORCE LAW RAISES PROBLEMS FOR DELHI

Minister's Resignation Explained

Bombay THE TIMES OF INDIA in English 3 Mar 86 pp 1, 9

[Article by Arun Shourie]

[Text]

BANATWALA had introduced his bill to undo the supreme court's judgment on the Shah Bano case in March, 1985. It was coming up for discussion in parliament.

In August, Mr. Arif Mohammad Khan, then minister of state in the ministry of home affairs, was at a reception for the Assam student leaders — the accord had just been signed. He met Mr. Rajiv Gandhi and told the Prime Minister that he would like to speak on Mr. Banatwala's bill. "No, you will just be saying what the others are saying," Mr. Gandhi said.

"That is just the point," Arif told him, "I don't want to say what the others are saying. I am convinced that asking a husband to help look after an indigent woman whom he has divorced is in accord with the spirit of Islam, of the shariat".

The Prime Minister was suddenly interested, but after a few general remarks he walked off to talk to the other guests.

He returned to Arif. He now approved the idea of Arif speaking on the bill. He encouraged him to consult others also — scholars as well as other leaders of Muslim opinion.

He met Justice V. Khalid who had earlier decided an important case on a related question. In regard to the decision of the Kerala high court that a divorce given "under compulsion or in jest or in anger" would be "perfectly valid", in a subsequent case the judge had held: "My judicial conscience is disturbed at this monstrosity. The question is whether the conscience of the leaders of public opinion is also disturbed."

On the merits of the matter, the judge told Arif that he was completely right. But he counselled Arif against opposing Banatwala's bill. Rightly or wrongly, the whole community, he said, had come to feel that the supreme court had interferred in its personal law.

Arif met a Muslim professor of law who had authored a standard text-book on Muslim personal law. He had learnt that an entire chapter containing the plea for a common civil code had been removed from the new edition. The professor asked Arif not to oppose the bill. The ground related to the professor's assessment of the conduct of the supreme court on some other case involving Hindu law.

"But I ask you a simple question", Arif said. "If a well-to-do husband throws out his wife, and the wife has no way at all to keep her body and soul together other than to go about begging or selling her body, if her relatives cannot maintain her, if the Muslim community being poor cannot provide for her, and if we then ask the husband to give her at least a little bit so that she can keep her body and soul together, will we be contravening the shariat? Will we be going against the spirit of Islam or acting in accordance with it?"

The professor agreed that asking the husband to do so would be in accordance with the spirit of Islam, and that there would be no contravention of the shariat. Conversations of this kind confirmed Arif in his resolve to speak up on the issue.

It was decided that Arif would speak on behalf of the government on Banatwala's bill. (Every private member's bill is 'addressed to' a particular ministry. That ministry then responds on behalf of the government, Banatwala's bill had been addressed to the ministry of home affairs. Arif was then the minister of state in this ministry.)

In his speech on August 23, however, Arif took a different tack. He established the liberal position on the basis of Quranic texts. The Quranic texts, the Sunna of the Prophet, that is in terms of the shariat itself.

He was loudly cheered by Congress MPs as well as by the opposition. Mrs. Najma Heptullah was among those who wrote to him "Allah kare zare zuban aur ziyade", she wrote. The official of the home ministry who had prepared the brief too complimented him. "Our line would not have worked", he told Arif. "Yours was the effective way."

The session ended. The council of ministers was meeting. Mr. Rajiv Gandhi expressed satisfaction at the way the session had gone. He pointed to tasks ahead.

"The hero of the session", Mr. Ram Dulari Sinha, who too was then minister of state in the ministry of home affairs, said, "has been Arif".

The Prime Minister agreed and told them that he had already sent Arif a letter congratulating him for his speech. He had indeed, on August 25. He had not just congratulated Arif for his personal performance. He had said how happy he was to note the widespread appreciation that the speech had evoked in the country.

At a meeting of the cabinet committee on political affairs a few weeks later, Mr. Gandhi again praised the stand Arif had taken. Arif is an asset to the party, he said. One can find many liberals in the community, he said, but seldom does one come across a man of such courage. This warm praise was reported to Arif by a member of the committee.

A few days later, talking to three journalists, Mr. V. P. Singh, the Union finance minister, used identical words to commend Arif. One of the journalists told Arif what Singh had said.

Things began to sour, however, at the time of the campaign for the Assam elections. "Arif has alienated the Muslims", it was said. "We must do something to win back the Muslims".

ANSARI'S TIRADE

Mr. Z. R. Ansari, also a minister of state, spoke denouncing not just the judgment of the supreme court but the court itself. He characterised the judge as teli-tambolis (common oil-pressers) who had set themselves up as scholars and interpreters of law. (At the supreme court a senior judge raised the matter more than once in the morning get-together and urged the chief justice to write to the Prime Minister protesting against the tirade.)

Arif felt let down. After all, he had spoken on behalf of the government. He had spoken after talking to the Prime Minister. He had spoken after being briefed by officials of the Union law ministry as well as of his own home ministry.

He had incurred the opprobium of many Muslims. Urdu papers and leaders of the Muslim League had been denigrating him, saying that he was opposing Banatwala's bill "to strengthen his hold on the ministerial chair."

His misgivings were soon allayed. To his surprise he was told that the Prime Minister, who was visiting Oman, had personally substituted Arif's name for that of another minister to accompany him on the visit. Arif was given to understand that this had been done to counter the impression that the Prime Minister had decided to dissociate himself from Arif's stand on the Shah Bano case.

The trip confirmed Arif in this impression. In fact, it was further suggested to him that the Ansari business was meant strictly for consumption in Assam. Arif chose to believe this rather than what Mr. Rajiv Gandhi had himself said at Ansari's subsequent conference that the government was considering changes in the law that would take Muslims out of the purview of section 125.

Early in February Arif was told that the government was in fact thinking of introducing a bill to this effect. He met among others the Union law minister, Mr. A. K. Sen. He was told that the government had come to an understanding with the religious leaders". These, Arif was astonished to learn, had now been accepted by the government as spokesman of the Muslim community. They included leaders of the Muslim League, the Muslim Majlis, the Muslim personal law board, the Majlis Ijtihad-ul-Musalmeen — each of them a rank communal organisation.

He was told that the bill would have the parents and other relatives of the divorced woman maintain her, and, if they could not, the wakf board would.

Arif pointed to the gross injustice of the bill, how the law would now relegate Muslim women to a position abjectly inferior to that of other women in th country. He also pointed out that the clause about the wakf boards was quixotic.

He had personal knowledge of the financial position of wakf boards from his work in U.P. On the eve of festivals they have to run around asking for handouts from the state governments even to pay a little advance to their employees, he told Sen.

In any case, where does the Quran say, what part of the shariat say that blood relatives must maintain a divorced woman or that wakf boards should? In fact the assets and proceeds of a wakf can be used only for purposes for which it has been created, Arif said.

Sen agreed on every point but kept saying that the religious leaders thought this could be done.

Arif was now convinced that if the government persisted in introducing the bill, he would have to resign. Over the next two weeks he met few people, and he began to stay away from his office bit by bit.

Mr. A. K. Sen finally introduced the bill on February 25. The bill hurt Arif but Sen's remarks while introducing it hurt even more. The law minister said that it had been the consistent policy of the government that in matters pertaining to a community priority should be given to the leaders of that community.

An MP interjected, had the government not seen the statement that 125 eminent Muslims had signed? They included the seniormost diplomats, a sitting member of the planning commission, a vice-chancellor, senior officials of the government itself.

They are just "dancers and actors", Mr. Ibrahim Suleiman Sait, the president of the Muslim League, shouted. No one in government contradicted him.

RESIGNATION LETTER

Arif was horrified. It was the "sole spokesman" business *a la* Jinnah all over again. He wrote out a two-line letter of resignation and twice proceeded to meet the Prime Minister. Both times he returned to his seat.

The introduction of the bill was over around 4.30 p.m. On his way out he told Mr. V. George, the personal secretary to Mr. Gandhi, that he would be sending a letter for the PM and that George should hand it over as soon as he received it.

"But aren't you coming for the 6'O clock meeting?", George asked him. (The council of ministers was to meet, and Arif was to have attended it.) "No, I may not be able to attend it", Arif told him, "but please to it that the PM gets the letter before the meeting starts".

Arif went home, sent his letter, and left his house for another place. The letter was duly handed over to Mr. Gandhi. There were phone calls to Arif's house but the callers were told that he wasn't home.

The next morning he was called to see Mr. Arun Singh. Mr. Singh had Arif's resignation letter with him when the latter met him in the outer lobby in parliament. They spent over an hour together. Arun was, as always, polite, soft-spoken and understanding.

Arun told Arif that he had gone up in his esteem. What he was doing was indeed the thing a man of principle would do. No man of honour could have done less. But, he said, it would have the unfortunate consequence that from now on no one would dare to even differ. Everyone would cite what happened to Arif. For this reason, Mr. Singh said, he should withdraw the resignation.

Arif explained his difficulty in the matter. He had spoken at length on the question. He had incurred the opprobium of many in his community for doing so. He felt that the government was dealing with rank communalists and fundamentalists. This was against everything the Congress had stood for. The injutice that would be inflicted on Muslim women ... we were going back to the pre-partition days.

Mr. Arun Singh agreed with everything. He told Arif that he understood his difficulty in the matter. He might himself have resigned in such a situation, he said. He agreed on the fundamentalists too. Whatever reasons were given in favour of the bill, he said, the fundamentalists were bound to claim it as their victory.

Arif's resignation would embarrass the Prime Minister personally, Mr. Singh explained. In any case, Arif had done what his conscience required him to do. And what if the Prime Minister now turned down his request to be relieved of his office, Mr. Singh asked.

He would have to stay, Arif said. But he would be no use to the government or the party. He could just shuttle between his home and his office. He would never go to his constituency or elsewhere.

You say the fundamentalists are the leaders, he said. But the people voted for the Prime Minister, they voted for you, for all of us, not for the fundamentalists.

Arif was called to meet Mr. Arun Nehru. They met thrice each time in the same outer lobby in the view of many MPs. The conversation followed the pattern of the earlier one. Mr. Nehru too agreed with every point Arif put forward, and lamented that such a situation had arisen. But now they were under a "compulsion". The "compulsion" was not spelled out. But Arif gathered that the agitations and the hysteria that had been whipped up had had their intended effect.

Like Mr. Arun Singh, Mr. Arun Nehru too appreciated Arif's difficulty. He too said that he also might have resigned in a similar situation. But what if, Arif having sent in his resignation, the PM did not accept it?

Finally, Arif met Mr. Gandhi at 9.15 that evening. They were together for half an hour. The Prime Minister was courteous, even sympathetic. Arif went over the points one by one. Mr. Gandhi seemed to appreciate each of them. He too put the blame at the unfortunate situation that had arisen. He did not defend the bill much.

His final question was to ask Arif what should be done so that people would not say that he, Mr. Gandhi, had dumped him. Arif thanked him for the sentiment but explained that the prime minister was in the best position to judge what should be done in the circumstances.

PRIVILEGE MOTION

I have not known Arif. Our paths have crossed only once before. He was once kind enough to read an article of mine in 1980 and file a privilege motion against me. This time around, after the first part of my articles on the Shariat appeared, he was good enough to come over to discuss the law, and gently corrected my understanding of it.

It is clear that he has taken a stand on principle. He is concerned that the government has lent respectability to rank communalists, that it has accepted the twin fatal assertions, first, that Muslims alone can speak for Muslims, and, second, that among Muslims the fundamentalists alone speak for Muslims.

This, he has told Mr. Gandhi and his aides, and he affirms today to his colleagues in the Congress, takes us back to the pre-partition days. Then too, he recalls this is precisely what the Muslim League used to say. This is precisely what the Congress fought against.

He is convinced that the bill is bad on merits, that it goes against the tenets of Islam, that it will compound the grave injustice from which Muslim women already suffer. He has done a great deal of work on the question. As we talked on the law in my study two volumes of the nine of *Sahih Bukhari* (the most highly revered collection of the traditions of the Prophet) happened to be lying among the pile on the table.

"Here, look at this," he said, "this is volume 7, isn't it? Look at pages 199 and 200." He opened them and read the chapter heading, 'The gift given by a husband to a divorced lady for whom mahr has been fixed, by virtue of the statement of Allah:

> 'There is no blame on you if you divorce women while yet you have not touched them nor appointed unto them their dower (mahr). But bestow upon them (a suitable gift) ... truly Allah is all-seeing of what you do! (Quran, 2.236-137).

'And Allah also said,' he continued reading from Bukhari, 'And for divorced maintenance should be provided on a reasonable scale. This is a duty on the pious. Thus Allah makes clear his signs to you in order that you may understand.' (Quran, 2-241-242).

Nine Muslim countries, he says,

already have laws that require the husband to provide maintenance to the wife he divorces. A Pakistani alim, he has been told, has written in a Lahore newspaper that the assertion of some Muslims here that in decreeing maintenance the Indian supreme court has thwarted shariat, is derogatory to Islam. To buttress his case he quotes the paragons of fundamentalism itself from Maulana Maudoodi to Mustafa As Sibase to Abu Zohra.

Many ministers are articulate, even I have met a few of them. But this is the first time that I have met a minister who can pick up the right volume of a theological text and at once turn to the right page.

It is rare to have a minister stand up for a principle these days. Therefore, even if this was all there was to the matter, it would still be a significant event. But there is much more to it.

First, the cost of having as our Prime Minister a person who does not have a adequate background on public issues is becoming clearer by the week.

The most charitable interpretation that one can put on this episode is that Mr. Gandhi just did not know what he was talking about, that faced with a few demonstrations the government funked, that in the panic it thought that the only way to buy peace was to strike a deal with the obscurantists. Because of his lack of background the Prime minister does not seem to be able to appreciate the point of principle involved in an issue or the wider implications of a step.

But the episode reveals something even more disturbing. The government remains what it was to begin with — a Prime Minister, a cousin, and one school friend. Today one minister after another says in private how he regrets the bill, but he says nothing in public.

The bill was not considered by the council of ministers at all before it was introduced in the Lok Sabha. It was put to the council after it had been introduced by Mr. A. K. Sen on February 25, and then it was, of course, presented as a *(fait accompli)*.

And in this case even the Prime Minister and his two closest associates do not seem to enter a defence of the measure in private. It is as if the government is sleep-walking. They speak of "the unfortunate situation that has arisen", of 'the compulsions'. "It was a political decision," the Prime Minister at last told the Congress parliamentary party on February 28.

There is, of course, a lack of background and of preparation on public issues. But there is also an obstinacy. "The moving finger having writ, moves on", we are being told, "and not all thy piety nor wit..."

There is moreover no question of elementary loyalty. A colleague is encouraged to take a stand. The stand, in some myopic vision, later seems inconvenient. He is dumped.

And there is the incipient chicanery — "Leaders of the community have been consulted." In fact, what has been done is that a deal has been made with the obscurantists. "A comprehensive background paper will be circulated setting out provisions of the law as they prevail in Islamic countries". No paper is circulated.

"There was some delay on this matter on our part," says the Prime Minister. That is not what I hear. My information is that the information was collected, and it was ready.

It was collected in parties by our embassies in Muslim countries, I am told But it showed that one Muslim country after another had in fact modernised its family laws. That is why the promised paper was not circulated. (And it stands to reason. A Prime Minister who is so particular about sticking to "time-bound programmes" is not likely to have forgotten his pledged word so lightly.)

The provision about wakf boards is touted when in fact Mr. Arun Nehru, Mr. A. K. Sen, Mr. Arun Singh, among others, know that these boards are in no position to help indigent castaway women. Once again the government is dressing its funk in principle, this time in that of the primacy it says it has always accorded to the views of the leaders of the community.

The signal will not be lost on anyone. Certainly not in Punjab. Having expressed so much solicitude for the personal law of Muslims, how will this government deny the demand for a separate "Sikh personal law" that the Akalis had put forward and which is duly listed in the official white paper on the Punjab agitation.

And surely if our parliament is to codify personal laws of different religious communities, it must be guided by the clerics of each community. The *secular* parliament of what the constitution says, is a 'sovereign socialist democratic republic', a parliament enjoined by the same constitution to 'endeavour to secure for the citizens a uniform civil code throughout the territory of India', 'to renounce practices derogatory to the dignity of women', and 'to develop the scientific temper, humanism and the spirit of inquiry and reform'.

Letter to Rajiv From Former Justice

Calcutta THE TELEGRAPH in English 4 Mar 86 p 7

[Former Supreme Court Judge V.R. Krishna Iyer's letter to Prime Minister Rajiv Gandhi on the Muslim Divorce Bill]

[Text]

February 28, 1986.

Dear Shri Prime Minister,

I am reluctant to write this unpalatable letter to you, knowing that your mind is perhaps dead set on the 'amendatory' solution to the Shah Bano syndrome. But beholding vividly the macabre portents of the legislative Bill now being hurriedly piloted through Parliament, I cannot remain silent. You are our Prime Minister and it behoves me, as a citizen, to do my duty by my country and speak publicly when dangerous mistakes are unwittingly made by the highest political echelons. Criticism is a duty where public power goes awry. And men in authority have a patient responsibility to keep themselves fully informed of others' viewpoints. Prof. Whitehead put it best:

> "Duty arises from our potential control over the course of events. Where attainable knowledge could have changed the issue, ignorance has the guilt of vice."

I plead with you, dear Prime Minister, to remember Cromwell's historic words:

> "I beseech you, in the bowels of Christ, think it possible you may be mistaken."

All of us are fallible, after all. I want you to win the battle for gender justice but wish you did abandon what mayhems their right to equal justice.

I need not remind you that not only are secularism and equality non-negotiable constitutional-fundamentals but gender justice is a pregnant facet of social justice which too is a guarantee of the *Suprema lex*. No Prime Minister, no Parliament should defeat or diminish these hallowed values. The Preambular Pledge of equality of status and the fundamental right to equal protection of the laws, with special provision for women and children, make legal discrimination on the ground of religious denomination (attempted by the dubious Bill) anathema and invalid. To keep harrowing Muslim women out of the benign ambit of Section 125 when traumatically *talaqed* by heartless husbands and to promise them the illusory prospect of being free-fed from a bizarre basket is blatantly unconstitutional and litigatively treacherous; and even if three readings and an assent, together with 'the mysterious virtue of wax and parchment' get the Bill into the statute book the final verdict belongs to the Constitution and the Court and, ultimately, to the people. Will this law meet with its Waterloo at the next pools with Hindu fundamentalists and Muslim fundamentalists, both inflamed by this indiscreet amendment, struggling for the victory of numbers? Secularists will be a sore minority at the elections, and should the sleeping Hindu giant be provoked into communal frenzy? Every measure to buy ayatollahs' pleasure alienates the 'Viswa Hindu' incendiaries. That is the tragic price. The impact on the stability of the state is best guessed by those who know history.

'You did display remarkable resilience and refreshing freedom from inhibitions while handling difficult issues, although I am afraid grave errors haunt your naive steps'

You did, in a brief span when you began, display remarkable resilience and refreshing freedom from inhibitions while handling difficult issues, national and international, although I am afraid grave errors haunt your naive steps. Optimism is not opium, and so, I feel that if flaws in policy are brought home to you the vanity of consistency may not forbid your will to navigate the ship of state along a wiser course. In this hope, I pen these words of concern and correction before tragic sequelae complicate the situation. You may misunderstand my motive, may disrelish my diction and may even be dyspeptic about my irreverence. I assure you that my purpose is to place a point of view before you. Nor am I so opinionated as to delude myself that my opinion is impeccable. My object, in this long letter, is to persuade you that the Shah Bano nullification Bill is born in communalism and will perish in communalism but the processes are often perilous. I pray that you preempt the evil by advance wisdom. 'History is a cruel stepmother, and when it retaliates, it stops at nothing.' When forces of destabilisation and injustice seek to hold our nation as hostage to reaction and divisive politics is fuelled by fundamentalists and chauvinists we cannot afford the luxury of myopic mistakes. The best gift for national disintegration and incendiary communalism is the anti-secular, anti-Shah Bano amendment Bill now under way. Please desist.

Let me explain a wee bit more the pathological potential of the nascent legislative exercise.

Section 125 CrPC is obviously a secular provision designed to salvage all divorced damsels in penurious distress, regardless of religion, from the throes of desperate destitution, which may drive them to prostitution and other survival alternatives. This provision is sustained by Article 15 of the Constitution and applies to all women equally. Any exclusion of one religious community is a plain violation of the fundamental right to equality. Illusory alternatives driving Muslim women to seek maintenance from their parents and from the Wakf Board (most of which have little in the kitty) are clearly and substantially discriminatory. You could as well put Hindu and Parsi and Christian women under the same handicap and drive them to their religious trusts. Why pick on Muslim women? They are the major victims, as statistics show from a study of applications for maintenance under Section 125 CrPC.

You will easily appreciate that *this provision has no relation to liability to maintenance under the personal law*. The jurisdiction is different, the jurisprudence is different, the measure and procedure are different. One is rooted in family law, the other in public order and social justice. To confuse between the two is to be guilty of judicial cataract.

Section 125 CrPC is of British vintage broadened by the benign Parliament. The twentyfirst century is a summons to move forward progressively, not to retreat regressively, frightened by sixth century primitivism. Section 125 rescues needy divorcees, rendered homeless, from moral danger resorting to means of livelihood contrary to peace, tranquility and social health. Such a provision is founded on the secular values of our Republic and is expressly contemplated in Aricle 25, which empowers the state to make provision necessitated by public order, morality and health. To contend that Section. 125 is *for* or *against* any religion is a crass caricature of the scope and purpose of the law. To, invoke 'religion in danger' to resist a provision based on the constitutional concern for public order, morality and health envisioned in Article 25 is to draw the red herring across the trail. Three decisions of the Supreme Court, which have consistently affirmed this approach, are enough authority to negative the fundamentalist distortion. Masculine obscurantism, Muslim or Hindu, should accept the law laid down by the highest Court explaining the raison d'etre of the measure.

True, some ayatollahs of India and their political muktiars are making noises as is their wont, as if Islam would decline, if women in distress were kept contented! What a travesty of truth! Many hundreds of liberal Muslims and many organisations of Muslim and other women have, to my personal knowledge, applauded the Shah Bano ruling and have been outraged by the reversal of the ruling through the legislative process. It is a grievous error to exalt the strident few reactionaries and pachydermic communalists as the sole representatives of the masses of women. Women's status is at stake; kindly discover the truth before it's too late. There is bitter disappointment among Muslims and total disenchantment among women consequent on the surrender of the Prime Minister to a handful of surrogates in Parliament whose 'sound and fury' scare him and make him deaf to the deeper feelings of the broader community.

What is more, there is a terrible danger of Hindu communalism being whipped up on this score. The temperature is hotting up. Bigots on both sides are busy. I implore you not to let down our secular stability, the political motive being transparent. Nehru said at Calicut, as Prime Minister, the Muslim League is a dead horse. Should you, as Prime Minister, use it as your mentor? Cliques and claques may later betray.

I see ominous signs of passions rising and feel nervous about the backlash of communal conflicts and poll verdicts. After all, the Supreme Court has interpreted and there is no provocation for scuttling a salutory decision. Kindly note that in Kerala, as elsewhere, the Muslim intelligentsia and women have been awakened and large numbers of responsible people are denouncing the pseudo-Shariatariat. May I entreat you not to stand on prestige, which is a poor defence in crisis, but to base yourself on human rights and social justice, so that principled politics may overpower communal politicking?

You rightly stress that communalism shall not be a political tool. But deeds and words must match. Whatever your assertions to the contrary, the present 'Muslim' Bill is blatantly communal. '*Et tu Brute?*' may be history's comment. When the genetic code of this alleged Protection Bill and its communal DNA come to be decoded I have little doubt about the analyst's report. Already communal passions, on this Bill, are beginning to convulse. Why punish innocent Muslims and Hindus? You have shown dynamic departure from previous wrong policies and so may I humbly summon your statesmanship?

Let me tell you that the Bill is a sin against the Quran and the constitution of Wakfs. Many Islamic scholars hold that the Koranic command to husbands to pay upkeep expenses to divorcees beyond the period of *iddat* is clear. Again, Wakfs are religious and charitable trusts by pious Muslims to perform specified holy acts for their spiritual benefit. It will be sacrilege to divert these funds for maintenance of other people's wives. Many Wakf Boards are themselves poor and it is an illusion to make them caretakers of jilted and jettisoned wives. The whole project is a legislative *tamasha*? Please don't stultify

'My object, in this long letter, is to persuade you that the Shah Bano nullification Bill is born in communalism and will perish in communalism but the processes are often perilous'

our great Parliament. Already the Supreme Court judges have been insulted by minister Ansari in Parliament.

May I conclude with a prayer to you on behalf of Indian women, human rights defenders, secularist radicals and constitutional advocates?

The Bill to kill the Shah Bano decision of the Supreme Court is the unfortunate political product of a creative genius for multi-dimensional injustice. The Bill is an injustice to our Republic's secular principle; it is an injustice to women's basic rights and, therefore, violative of human rights; it is an injustice to the egalitarian policy in our Constitution in Article 14 and 21 and 25; it is a vindicative injustice to Muslim women selling the soul of the state's humanism to obscurantist fundamentalists; it is an injustice to the holy Quran which insists on payment of maintenance of divorced women in distress; it is an injustice to the twenty-first century because it throws us back to the sixth century to buy Islamic votes through the noisy illusion of electoral support of fundamentalists whose hold on the liberal Muslim intelligentsia and the suffering masses of women is marginal; it is an ultra vires injustice to the law of Wakfs because Wakfs are not trusts to look after privatised wrongs inflicted by irresponsible *talaqs*; it is an injustice to family integrity because it is fraught with potential for litigation between close relatives. It is an injustice to pragmatic working of the law because, functionally speaking, the provisions lead the destitute to several cases in search of a pittance; it is an injustice to national stability, because the secular credibility of the government will be a casualty. The dictate of the social dialectics of India today leaves no choice. But as Karl Menninger put it:

> "The voice of the intelligence is soft and weak, said Freud. It is drowned out by the roar of fear. It is ignored by the voice of desire. It is contradicted by the voice of shame. It is hissed away by hate, and extinguished by anger. Most of all it is silence by ignorance."

With kindest regards,

Yours sincerely,

Sd/—V.R. Krishna Iyer

Hon'ble Shri Rajiv Gandhi,
Prime Minister of India
New Delhi—110001

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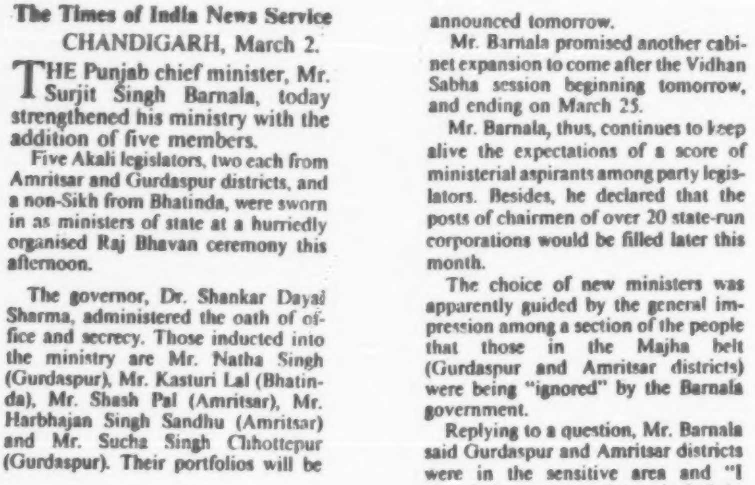
INDIA

PAPERS REPORT ON DEVELOPMENTS IN PUNJAB

Composition of New Cabinet

Bombay THE TIMES OF INDIA in English 3 Mar 86 p 1

[Text]



The Times of India News Service
CHANDIGARH, March 2.

THE Punjab chief minister, Mr. Surjit Singh Barnala, today strengthened his ministry with the addition of five members.

Five Akali legislators, two each from Amritsar and Gurdaspur districts, and a non-Sikh from Bhatinda, were sworn in as ministers of state at a hurriedly organised Raj Bhavan ceremony this afternoon.

The governor, Dr. Shankar Dayal Sharma, administered the oath of office and secrecy. Those inducted into the ministry are Mr. Natha Singh (Gurdaspur), Mr. Kasturi Lal (Bhatinda), Mr. Shash Pal (Amritsar), Mr. Harbhajan Singh Sandhu (Amritsar) and Mr. Sucha Singh Chhottepur (Gurdaspur). Their portfolios will be announced tomorrow.

Mr. Barnala promised another cabinet expansion to come after the Vidhan Sabha session beginning tomorrow, and ending on March 25.

Mr. Barnala, thus, continues to keep alive the expectations of a score of ministerial aspirants among party legislators. Besides, he declared that the posts of chairmen of over 20 state-run corporations would be filled later this month.

The choice of new ministers was apparently guided by the general impression among a section of the people that those in the Majha belt (Gurdaspur and Amritsar districts) were being "ignored" by the Barnala government.

Replying to a question, Mr. Barnala said Gurdaspur and Amritsar districts were in the sensitive area and "I thought it was appropriate to include in the ministry members from this area".

The chief minister stated that he wanted to consult his senior party colleague and former chief minister, Mr. Prakash Singh Badal, about the 'cabinet expansion." I went to his residence this morning, but he was not in town," said Mr. Barnala.

Punjab Governor's Speech

New Delhi PATRIOT in English 4 Mar 86 p 1

[Text]

Our Staff Correspondent
Chandigarh, March 3

Punjab Governor Shankar Dayal Sharma has said that any attempt to delink the implementation of Rajiv-Longowal accord from the efforts to usher in peace, harmony and normalcy in Punjab can only signal a dangerous slideback in the absence of a comprehensive political vision.

In his address to the Budget session of the Punjab Vidhan Sabha here today, the Governor said the signing of the accord was an eloquent acknowledgement that the rise of terrorism had political causes and could only have a political solution. Peace in Punjab was directly dependent on the implementation of the accord, he added.

He said Prime Minister Rajiv Gandhi should take immediate steps to implement the accord. "Any further delay in the transfer of Chandigarh to Punjab was fraught with serious implication for peace and stability in the region", he added.

The Governor said the interests of Punjabi society as a whole demanded that the concerned quarters rise above narrow political consideration and sort out the problem with courage and sagacity. "On its own part my Government was fully committed and determined to curb the activities of extremists and anti-national elements who were bent upon creating disturbances. The lack of will to implement the accord in toto would also amount to letting the Punjab electorate down who overwhelmingly voted for peace, amity and normalcy and against the forces of destabilisation during the last elections", the Governor added.

The Governor read his address in Punjabi. On arrival at the ceremonial gate of the Vidhan Sabha complex, the Governor was received by Speaker Ravi Inder Singh and secretary Vidhan Sabha Pratap Singh. He was escorted to the podium in the high domed pillarless hall of the Vidhan Sabha.

As soon as the Governor began his address leader of the Congress Opposition Gurbinder Kaur Brar rose to read a parallel address. She was not audible. Her party colleagues on the Opposition benches barged into the well of the House and sat on a five-minute long dharna as their leader read her address. Minutes later the Congress members staged a walk-out raising slogans like "*Qatil di sarkar murdabad* and *bucharan di sarkar murdabad* (down with the Government of murderers and butchers).

The text of the parallel address read out by Mrs Brar was later circulated in the press gallery. The slogans shouted by the protesting Congress members were also circulated to the mediamen.

Some Congressmen later claimed that today's symbolic protest against the continuing killings of the innocent people and policemen in the State had the prior approval of the Congress high command. "We were no longer willing to continue the earlier exercise of mutual appreciation with the Akali Government", the sources in the Congress Legislature Party added pleading against identification.

Before the arrival of the Governor under tight security Chief Minister Surjit Singh Barnala specially went over to Mr Parkash Singh Badal for a handshake. He also showed to the newly appointed five Ministers of State their seats in the front row of the treasury benches.

The bulk of the address delivered by the Governor dwelt on the problems arising out of the "Operation Bluestar" in the Golden Temple, Army action in Punjab, desertions in the military ranks, November riots in Delhi and elsewhere and the need to rehabilitate the affected in all these tragic circumstances.

At page two of the address a special brief annexture was added demanding the early release of those arrested from the Golden Temple during the Army action and who were still rotting at Jodhpur jail. The Governor, through this special mention, noted with satisfaction that as envisaged in the Rajiv-Longowal accord the Centre had now appointed a committee of legal experts to review the cases of those lodged at Jodhpur jail and emphasised their early release.

The rest of the address threw light at the Government measures to reactivate the industrial progress, expansion of the agrarian base and provision of basic amenities, like health services, education and more avenues for employment. The Governor also announced his Government's intention to set up "Punjab Adarsh School Organisation" (PASO) to provide more avenues and opportunities of better education to the brilliant students in the countryside. PTI adds:

"The time ahead of us is indeed critical but given the will and move of our people for the State, I am confident it can be turned into a period of hope and fulfilment."

Dr Sharma said new challenges had cropped up which would have to be faced with the same enlightened approach and determination which the people had displayed in bringing the democratic processes back to the State.

The Governor said his Government had withdrawn or dropped cases against 2,162 persons till 17 February, 1986, following recommendations from the committee headed by Mr Justice A S Bains, which was constituted to consider the cases of persons facing prosecution in criminal cases registered on or after 1 August, 1981.

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INDIA

GANDHI RAJ SABHA REMARKS AFTER SINGH SPEECH REPORTED

Bombay THE TIMES OF INDIA in English 6 Mar 86 p 1

[Text]

NEW DELHI, March 5.

THE Prime Minister, Mr. Rajiv Gandhi, refuted in the Rajya Sabha today Sri Lanka's allegation of Indian "involvement" in the ethnic problem in the island republic.

Describing the charge as "baseless", Mr. Gandhi said India had only tried to help evolve a negotiated political settlement. "We wanted Sri Lanka to do more than just profess its faith in a political solution. There should be concrete action in this direction," he added.

The prime minister was replying to the marathon discussion in the house on the vote of thanks to the President for his address.

The motion was later adopted by a voice vote, after all amendments moved by the opposition members, were rejected.

DIG AT OPPOSITION

In his hour-long speech, Mr. Gandhi sought to highlight the achievements of the government in various fields. He, however, did not make any mention of the controversial bill on Muslim women's rights.

Mr. Gandhi's attempts to have a dig at the role of the opposition provoked the opposition members, but brought cheers from the Congress benches.

While hailing the formation of SAARC as a positive step for promoting regional co-operation, Mr. Gandhi referred to Pakistan and Sri Lanka as the two "tension areas" in the region. India had done a great deal to reduce the tension.

The pace of improvement of relations with Pakistan was "very slow", despite the exchange of visits at the highest level. India's reaction would now depend on Pakistan's response, he said.

Referring to the U.S., Mr. Gandhi said some "basic mistrust" had been removed but there still were "questions" in the minds of leaders in both the countries. However significant headway had been made, he maintained.

About the Soviet Union, the prime minister said India had old, tried and trusted friendship with that country, which had been strengthened and would be strengthened further.

Mr. Gandhi claimed that his government had fulfilled most of the promises made by it last year. The economy had fared exceptionally well, keeping inflation rate under check.

All major development programmes were being regularly monitored. Corruption was being fought at various levels to ensure good, clean public life. The country's cultural heritage was sought to be protected even while introducing new technology. New policy directions had been given to various economic fields, Mr. Gandhi said.

A comprehensive legislation would be brought to ensure adequate environmental protection. A citizen would be given the right to move the court if his privileges were infringed, Mr. Gandhi said and added that the purification of Ganga had already started and the Hardwar section of the river would be clean by the time Kumbh Mela started.

Agriculture and poverty alleviation programmes were accorded the highest priority, Mr. Gandhi said. The basic economic and social priorities had remained unchanged since the beginning of the planning era. The latest budget aimed at burdening the rich and helping the poor. The status of public sector was being maintained to allow it to play a major role, he clarified.

Referring to political developments, the prime minister said his government had fulfilled the promise of solving the Punjab and Assam problems.

The opposition members who were listening to the prime minister fairly quietly got excited after Mr. Gandhi repeatedly pointed out that they were not reacting adequately to the announcements on the country's achievements.

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PILLAI SAYS RIVAL NDP GROUPS TO MERGE

Bombay THE TIMES OF INDIA in English 4 Mar 86 p 7

[Text] Trwandrum, 3 Mar--The election of Mr Kidangoor Gopalakrishna Pillai, former high commissioner to Singapore, as president of one faction of the National Democratic Party (NDP) at a "unity convention" here yesterday may mark a determined bid to increase the party's political clout.

It also marks the re-entry into active politics of Mr. Pillai, who was president of the undivided party until 1983.

While members of the group led hitherto by Mr. Therambit Ramakrishnan, MLA, participated in the convention, the faction headed by Mr. P.K. Narayana Panikker, general secretary of the Nair Service Society, boycotted it.

Mr. Panikker has charged the former NDP strongman with trying to make the party "an appendage to the Congress."

Addressing a press conference here today, Mr Pillai conceded that the unity efforts initiated by him following his return to Kerala in January had proved fruitless so far and said: "There are some hurdles in the way of immediate unity but the rival groups are bound to merge after some time."

He also said the NDP convention expressed resentment at the failure of the United Democratic Front ministry to take any steps to provide reservations for economically backward sections among the "advanced" communities though its coordination committee had taken a decision in this regard over two years back.

A draft policy statement adopted by the meeting underscored the continuing relevance of the NDP. It said the concept of "one-party rule was a distant dream" in the prevailing political situation in Kerala.

The NDP would cooperate with parties with which it could work without sacrificing its basic principles.

The statement expressed concern about the manner in which people belonging to certain religions had, in the name of minorities, "cornered more benefits than they deserved, through pressure tactics."

It called for a redefinition of minorities, at present classified according to national norms. Instead, a particular group should be categorised as a minority on the basis of factors like the size of its population in a specific region and the progress made by it in the socioeconomic and political spheres.

The party regretted that while a ceiling had been imposed on agricultural holdings there was no such restriction in respect of estates.

Calling for the strengthening of Centre-state ties on the basis of true federalism, it said: "The Centre has a responsibility to ensure that the people of any state do not feel they are being neglected."

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CSO: 4600/1522

INDIA

BJP PLENARY SESSION SCHEDULED FOR 9-11 MAY

Calcutta THE TELEGRAPH in English 3 Mar 86 p 5

[Text] **New Delhi, March 2:** The second plenary session of the Bharatiya Janata Party will be held here from May 9 to 11. The plenary will be preceded by a two-day national executive meeting from May 7.

The three-day plenary, initially scheduled from April 4, has been deferred due to nonavailability of the Indira Gandhi Indoor Stadium—its venue. The stadium has been booked for the revised date, party sources said. About 10,000 delegates are expected to participate in the plenary.

The first plenary session of the party was held in Bombay in December 1980, eight months after the erstwhile Jan Sangh faction had broken away from the Janata Party.

The party has deputed Mr Jagannath Rao Joshi as the all-India returning officer to conduct the election of the party president, if it becomes necessary. Nominations will be accepted till March 7 though so far no one has filed it. This gives credence to the belief in political circles that Mr Atal Behari Vajpayee would continue in the post. His likely successors—Mrs Vijay Raje Scindia and Mr L.K. Advani are also reportedly pressuring Mr Vajpayee to continue as party president.

In case, other candidates file nominations, scrutiny will take place on March 8 and the last date for withdrawals will be March 12. The election, if necessary, will be held on March 23.

The central party office today announced the list of 20 state unit presidents, 13 of them new faces, who were elected unanimously. The elections are yet to be completed in Punjab, Chandigarh and Tripura.

Imphal : About 3,500 BJP workers resigned en masse from the party yesterday, according to a press note issued by Mr Haobam Borobabu Singh, former secretary of the Manipur state unit, adds UNI.

A party release issued here yesterday said that all presidents of five district units, including executive committee members, had also resigned from the party.

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INDIA

GORBACHEV, SHEVARDNADZE PLANNED VISITS DISCUSSED

Madras THE HINDU in English 6 Mar 86 p 9

[Article by G.K. Reddy]

[Text] **From G. K. Reddy**

NEW DELHI, March 5.

After the conclusion of the 27th Soviet Communist Party Congress in Moscow, convened by the new leader, Mr. Mikhail Gorbachev, to consolidate his power base, the Soviet Union is expected to launch a major diplomatic drive in Asia and Africa to retrieve some of its lost influence in the Third World, before the next round of summitry with the U.S.

As one who has already dazzled the West with his agreeable temperament, Mr. Gorbachev is reported to be giving high priority to the restoration of Soviet credibility in Asia, which has suffered considerably in the wake of its military intervention in Afghanistan.

Better relations with U.S.: The Soviet Foreign Minister, Mr. Edward Shevardnadze, will visit several Asian countries in the course of the next few weeks to explain the new Gorbachev approach to nuclear disarmament and international cooperation in the context of the recent steps taken by the Soviet Union to establish a better working relationship with the U.S.

He will also avail himself of the opportunity to assure all concerned about the Soviet readiness to pull out of Afghanistan, in a phased manner, within an agreed time-frame if the U.S. was prepared to assume countervailing responsibilities for honouring the territorial integrity and refraining from interference in the internal affairs of this land-locked country, which has a special strategic relationship to the Soviet Union.

Gorbachev visit to India: The Soviet Foreign Minister will probably begin his south and south-east Asian safari with the first stop-over in Delhi to prepare for Mr. Gorbachev's visit to India later this year. The Soviet Ambassador in Delhi, Mr. Vassily Rykov, who has gone to Moscow to attend the party congress as a member of the Central Committee, is expected back next week with a broad indication of when Mr. Gorbachev intends to pay this visit.

The new Soviet leadership is reported to be attaching great importance to the consolidation and expansion of Indo-Soviet friendship, despite the efforts of the Prime Minister, Mr. Rajiv Gandhi, to establish a parallel bilateral relationship with the U.S., that would be equally beneficial to India's interests. In the wider Asian context too, the Soviet Union realises that India is about the only major non-communist country in this continent, where it continues to weild considerable influence even after its intervention in Afghanistan.

Sino-Soviet relations: The Sino-Soviet relations have, no doubt, improved in recent years in the sense that the two communist giants are no longer engaged in an all-out confrontation, but they continue to differ strongly on Kampuchea and Afghanistan with the result that there is little scope at present for any real rapprochement other than a shared desire to avoid a showdown.

The relationship with India has thus become doubly important for Moscow in not only retrieving some of its lost influence in the rest of Asia with some conciliatory moves on Afghanistan, but also in sustaining its reputation in Africa as a dependable upholder of the Third World causes. It is for this reason that the Soviet Union has been attaching utmost importance to Mr. Gorbachev's visit to Delhi later this year.

'Relaxed': No dates have yet been set for the Soviet Foreign Minister's visit to India, since Moscow is reported to be working out a mutually convenient time-table for his tour of other Asian nations. After his recent trip to Tokyo, the relations between Japan and the Soviet Union are more relaxed, despite the northern island's dispute.

Mr. Shevardnadze's proposed tour of south and south-east Asia is evidently intended to create a better atmosphere for a more determined Soviet diplomatic drive in the Third World to enhance its international leverage in dealing with the U.S. in the global scene.

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CSO: 4600/1527

INDIA

REPORT ON ARJUN SINGH'S ACTIVITIES IN MOSCOW

New Delhi PATRIOT in English 1 Mar 86 p 7

[Article by Rajiv Shah]

[Text]

Moscow, Feb 28 — Indian National Congress vice president Arjun Singh, who is here with three other Congress leaders at the invitation of the CPSU to attend the 27th party congress, met General Secretary Mikhail Gorbachyov for more than an hour and delivered to him message from Prime Minister Rajiv Gandhi.

During their talks, the two sides expressed the desire to develop and deepen the "fruitful Indo-Soviet relations" built and strengthened especially after the signing of the Treaty of Peace, Friendship and Cooperation during the late Indira Gandhi's early tenure. This was necessary to preserve and extend peace and security in Asia and all over the world, it was emphasised.

During the meeting, which took place yesterday evening, Mr Arjun Singh said that his country valued highly Soviet peace initiative aimed at complete elimination of nuclear weapons during the next 15 years. In his reply, while conveying warm greetings to Prime Minister Rajiv Gandhi, Mr Mikhail Gorbachyov spoke highly of the positive role India was playing in the present day complex world situation. Mr Gorbachyov was positively impressed by India's leadership role as chairman of the nonaligned movement.

Later this evening, Mr Arjun Singh addressed a Moscow University scholars' gathering, and pointed out that the deliberations at the 27th CPSU congress "shall spell out the socio-economic and political developments of the Soviet Union for many years to come. Calling the congress a "historic event", Mr Arjun Singh said the four-member delegation, which he led on behalf of the Indian National Congress, was "greatly impressed by the political report by Mr Gorbachyov. It was a great speech both for its candour and content".

Mr Gorbachyov, during his report, not only put forward concrete plans for international peace but also showed a new way to rejuvenat the material and spiritual conditions of Soviet society, Mr Arjun Singh said.

He was confident that the Soviet people would be successful in their monumental task.

Turning to India's foreign policy, Mr Arjun Singh said "our policy" of nonalignment is not that of neutrality". His party strongly supported values like the elimination of imperialism and neocolonialism in all its forms, it stood for the abolition of the apartheid regime in South Africa and was for restoring to the Palestinian people their due right, and fought for making the Indian Ocean a zone of peace and a new international economic order.

These goals, he told the gathering, were so eloquently supported by Mr Gorbachyov as well.

He was hopeful that the "relations of cordiality which have been established between the Indian National Congress and the CPSU will grow from strength to strength and prove to be a bulwark for peace in the world".

It may be recalled that on the opening day (25 February), the CPSU congress paid glowing tributes to the late Indira Gandhi. Mr Igor Ligachoyv, a politbureau member and chairman of the congress presidium, made a special mention of her, saying that she "made a great contribution to the struggle against imperialism and colonialism, and for peace and security of nations".

The reference, observers said, signified the importance the Soviet Union attaches to India's role in world affairs.

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INDIA

ANALYST WRITES ON REACTION TO SRI LANKA MOVES

'Intemperate' Sri Lankan Note

Madras THE HINDU in English 2 Mar 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, March 1.

The Sri Lanka Government today issued a strongly worded statement accusing India of "bias" in its approach to the island's ethnic conflict and of impairing its own "credibility" by "pandering" to what was called the "imperatives of parochial politics" in Tamil Nadu, which continues to be used as a "logistical, training and operational bases by Tamil terrorists".

A copy of this lengthy statement was handed over in the form of a note by the Sri Lankan High Commissioner in Delhi to the External Affairs Minister, Mr. B. R. Bhagat, protesting against the charge of "genocide" levelled by him in Parliament.

The Sri Lankan note maintained that, in urging an early settlement, the Government of India was seeking to impose a time-frame for settling this internal problem, without taking parallel steps to compel the Tamil militants to give up their violent activities and strive for a peaceful solution. It was stated: "A time-frame cannot be conceived of unless such time-frame is also applied to the interdiction and removal of India-based terrorists against Sri Lanka".

Human rights: The statement also insinuated that India's own record of human rights violations did not entitle this country to point an accusing finger at Sri Lanka before the Human Rights Commission. It said: "The violation of human rights transcends boundaries and has occurred in innumerable situations and places. No more fitting comment could apply here than "physician heal thyself".

The Sri Lankan note went on to say that the value of the "proffered good offices of the Indian Government stands impaired and its credibility diluted" by its one-sided approach and reluctance to deal firmly with the "continuing incidence of India-based terrorism". It alleged that the return of the Sri Lankan Tamil refugees was being impaired by the violent activities of these terrorists and not by the actions of the Sri Lankan security forces.

The highly objectionable and intemperate tone of the Sri Lankan statement has come as a big surprise to those in Delhi who were still giving the benefit of doubt to the Jayewardene Government. It is now highly unlikely that the Foreign Secretary, Mr. Romesh Bhandari, would be sent to Colombo unless the Sri Lankan Government makes proper amends and comes forward with fresh assurances

The Sri Lankan Government has also been trying to draw a distinction between the outspoken observations of Mr. Bhagat in Parliament and the restrained tone in which the Prime Minister, Mr. Rajiv Gandhi, spoke of the Sri Lankan situation during his reply to the debate on the motion of thanks to the President. It has tried to gloss over the fact, in its self-righteous indignation over what Mr. Bhagat had said, that the External Affairs Minister was replying to the very serious concern expressed by members belonging to all parties and from all parts of the country, not merely from Tamil Nadu, about the terrible happenings in Sri Lanka, while Mr. Rajiv Gandhi made only a passing reference to India's continued efforts to resolve the problem.

Whatever, Mr. Bhagat had said was done with the prior approval of Mr. Rajiv Gandhi who was no less exercised over the ghastly killings of Tamils by Sri Lankan armed forces. The External Affairs Minister could not have accused a neighbouring country of genocide without clearance from the head of Government.

But the Prime Minister tripped a bit when he said that India had been given a "new paper", implying a new set of proposals, which was a slight improvement on the previous one, since no such written communication had been received from the Sri Lankan Government. Amidst his other preoccupations, he had evidently mistaken an internal Indian note on the clarifications and elucidations provided by the Sri Lankan Government for a new working paper presented by the Jayewardene Government.

Delhi Policy-Making Problems

Madras THE HINDU in English 4 Mar 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, March 3.

The Tamil Nadu Electricity Minister, Mr. S. Ramachandran, who has been closely associated with the Sri Lanka talks, is now in Delhi lending a helping hand in evolving a constitutional framework acceptable to both the Tamil leaders and the Jayewardene Government for devolution of powers to the Northern and Eastern provinces with some sort of linkage between them.

He is due to meet the Prime Minister, Mr. Rajiv Gandhi, tomorrow after further discussions with the Foreign Secretary, Mr. Romesh Bhandari, and others on both the procedural and substantive aspects of the proposed devolution.

Fresh instructions: Meanwhile, the Indian High Commissioner to Sri Lanka, Mr. J. N. Dixit, who had been called to Delhi for consultations, will be returning to Colombo tomorrow with fresh instructions from the Government to make it abundantly clear to the Sri Lankan President, Mr. J. R. Jayewardene and his colleagues that their attempts to impose a military solution while talking reassuringly of their readiness to seek a political settlement, would only complicate the problem further and render a peaceful accord all the more difficult.

The opinion in high Government circles here seem to be divided on what India should do next in the face of the Sri Lankan obduracy, with one section of policy-makers holding the view that no further steps should be taken until Mr. Jayewardene and his colleagues realise the folly of opting for a tough line, while another group feels that any interruption of Indian peace moves would imperil the Tamil interests.

Quick trip: The Foreign Secretary, who had earlier intended to leave for Colombo on March 5 is still toying with the idea of a quick trip to get the Indian mediatory efforts into stride again. In his anxiety to work out a new peace formula, he is racing against time to achieve some sort of break-through before he retires at the end of this month.

But there are other powerful influences which have taken serious note of the latest Sri Lankan outburst against India and are urging a tougher Indian response to this affront. In their view any attempt to come forward with an Indian formula for ending the current stalemate is bound to prove a non-starter, since the Sri Lankan Government is in no mood to make any substantial concessions at present.

No firm indication: The current Indian thinking on Sri Lanka cannot crystallise until the policy-making processes of the Government have been streamlined with a better hierarchical system. First of all there is no firm indication yet whether Mr. Bhandari would be offered another assignment after his retirement and, if so, whether he would continue to deal with Sri Lanka in case he is retained in an advisory role as part of the Prime Minister's establishment.

If he is not going to handle this problem after he relinquishes his present charge at the end of this month, who will be entrusted with this task in the Ministry of External Affairs or the Prime Minister's office? This uncertainty has unfortunately led to some extent to the present absence of any clarity in the Indian approach to the Sri Lankan problem.

The protracted discussions that have taken place between the Indian and Sri Lankan Governments have been confined to the peripheral aspects of devolution. The so-called clarifications offered by Sri Lanka have not defined in clear and unequivocal terms how far Mr. Jayewardene would be prepared to go in conceding effective powers to the Northern and Eastern provinces in regard to law and order, land settlement, language and local development. Nor have any serious discussions taken place on adequate representation for the Tamils in the Central Government which will continue to exercise over-riding authority under the island's military constitution.

Our Madras Staff Reporter writes:

The Eelam People's Revolutionary Liberation Front (EPRLF) today claimed that 25 more Sri Lankan soldiers were killed when the Front attacked troops belonging to the Special Task Force at Pambamadu on the Vavuniya-Mannar road yesterday.

A spokesman said the troops, in civilian clothes, had arrived at Pambamadu to retaliate against an earlier incident on the same day in which 10 soldiers were killed by the EPRLF.

/8309
CSO: 4600/1524

INDIAN CONDEMNS SRI LANKA HUMAN RIGHTS RECORD

Calcutta THE TELEGRAPH in English 6 Mar 86 p 1

[Article by Tilottama Tharoor]

[Text] **Geneva, March 5:** India has taken a major initiative at the UN Commission for Human Rights by launching a frontal attack on Sri Lanka for violation of human rights in that country.

In a hardhitting speech to the Commission this afternoon, the leader of the Indian delegation, Dr G.S. Dhillon, bluntly declared that "the actions of the government of Sri Lanka have resulted in serious violations of the human rights of Sri Lanka's Tamil citizens." Dr Dhillon added that the "blatant killings" were "beginning to look like the victimisation of the entire community of Sri Lankan Tamils by the Sri Lankan security forces."

India has seldom spoken in such harsh terms before at UN forums. Rebutting the Sri Lankan claim that security operations are only directed at terrorists, the Indian delegate citied "clear evidence ...that violence directed against the Tamil minorities is indiscriminate and makes no distinction between those engaged in conflict and innocent civilians, whether men, women or even children."

Recalling the brief ceasefire arranged through Indian auspices, Dr Dhillon described a "serious setback" to the peace process since late 1985 and the resignation of Tamil moderates from the ceasefire monitoring committee. "The peace process appears to have floundered," the Indian delegate declared, citing indications "that the government of Sri Lanka is determined to first pursue a military solution to this problem." India put the blame directly on "the lack of a firm commitment to a political solution on the part of the Sri Lanka authorities."

The Indian statement also recalled the two countries' "close and cordial ties" and stressed that India shares " a common culture, religious heritage and ethnic background with both the majority and the minority communities in Sri Lanka." India rejects violence and "firmly supports the unity and territorial integrity of Sri Lanka," Dr Dhillon affirmed. But he made it clear that "the major responsibility for restoring the confidence of the aggrieved Tamil minority lies with the government of Sri Lanka."

The statement sent shock waves through the commission and is likely to provoke a major debate. Diplomatic sources indicated that Sri Lanka was already seeking the right to reply.

Speaking yesterday, the Sri Lankan delegate, Dr Hector Jayewardene, had already referred to support forterrorismfrom "outside Sri Lanka". In a clear reference to New Delhi, he had added that "Those who are immediately anxious to resolve the problems of Sri Lanka on behalf of the Tamils cannot do so because they are not free from pressures and threats from the extremist elements in Madras." Sri Lanka reiterated its insistence on negotiating only on the basis of the draft terms of accord and understanding initialled by Dr Jayewardene and Mr Romesh Bhandari, Indian foreign secretary, on 30 August 1985.

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CSO: 4600/1526

INDIA

PROBLEMS IN COMPLETING DEFENSE DEALS WITH UK NOTED

Bombay THE TIMES OF INDIA in English 28 Feb 86 p 9

[Article by K.N. Malik]

[Text]

The Times of India News Service

LONDON, February 27.

INDO-British defence deals are once again in jeopardy. In spite of the fact that Indian officials indicated to Britain in October last that the Westland deal would be confirmed, no confirmatory letter has so far been received by the manufacturers.

Britain's offer of a Vickers Rheinmetall/Oto Melera FH70 155-mm guns has also not figured in the recent short-list negotiations for India's $ 975-million gun requirements. The Indo-U.K. memorandum of understanding on defence, due for signature in December last, has remained unsigned.

The two competitors for 155-mm guns now are Giat of France and the Bofors-77 gun from Sweden. Prospects of a fresh Anglo-German offer of an improved version with a better range, made after the first British-German offer was rejected, are also considered bleak.

No firm order has been given for World War II. royal navy light fleet carrier, HMS Hermes, offered to the Indian navy for an estimated £ 50 million. India's interest in HMS Hermes, which was rejected by several countries, has surprised experts. The carrier was withdrawn after the Falklands war with Argentina and has since been berthed at Portsmouth.

MODERN CARRIER

If India does not buy the ship (HMS Hermes), it is scheduled to be mothballed. Britain expected to sell ship in view of India's need for a more modern carrier. As India has ordered ten additional Sea Harriers FRS-515, it would have to go in for a second carrier, it was argued.

In India, however, many feel there is no justification for buying HMS Hermes. If India has to go in for a second carrier, it should buy a more modern one. Fitting this outdated carrier would cost the Indian navy a considerable sum of money, it is felt.

British officials are puzzled as to why no agreement has been delivered to Westland while a confiremd order for French Dauphin helicopters was delivered three months ago.

The British were earlier told that India would buy 21 Westland W-30s and 29 Dauphins. Though most British officials hope the delay is due to redtape, there are some who are worried that the Indian government is under bureeucratic pressure to dump the Westland deal.

The Oil and Natural Gas Commission (ONGC), for which W-30s were to be purchased, has been against buying the helicopters from the beginning. Many Indian experts and senior Indian officials, including those in the ministry of external affairs, are also against the purchase.

The main reason given is that the manufacturers themselves feel that it was a mistake to go in for the production of W-30s. Mr. Alan Bristow, a major shareholder in the company and Britain's biggest offshore helicopter operator, said last year that W-30s were not competitive in technical performance and commercial terms with other helicopters in the international market.

A senior official of Sikorsky, an American company which rescued Westland in February, said the development of the W-30 was a mistake.

Speaking to "Janes" defence weekly, Mr. Colin Green, vice-president of planning at the U.S. helicopter giant, said it was a mistake to persist in the development and production of the W-30 beyond a point.

The manufacturers committed the mistake of producing helicopters in advance of the orders. The company expected sales of about 100 helicopters of the W-30-100 series and another 500 of the 200 and 300 series. Success now would depend on the ability to deliver the helicopter and spares on short lead times.

This would require the manufacture of the helicopter in advance of orders and the maintenance of comprehensive stocks of spares — both without the pattern of deposits and progress payments common in the military market. This policy meant that in 1984-85 the company incurred a loss of £ 79.8 million against the liabilities and assets relating to the W-30.

Experts feel that Mr. Green may have been hinting at the possibility of stopping production of W-30s so that the company could concentrate on the development and production of helicopters for defence use.

In case India purchases W-30s and then the manufacturers stop its production, India would find it difficult to find spares and, even if it can, it would have to pay exorbitant prices.

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CSO: 4600/1515

INDIA

REPORT ON GANDHI'S TALKS WITH ROK PRIME MINISTER

New Delhi PATRIOT in English 4 Mar 86 p 1

[Text] **Our Special Correspondent**

India on Monday requested South Korea to increase imports from this country, particularly of capital goods, to help reduce the huge imbalance of trade between the two countries.

The Indian view was conveyed by Prime Minister Rajiv Gandhi to South Korean Premier Shingyong Lho during the 40-minute official talks Monday evening.

The talks largely focussed on trade, economic and commercial relations between the two countries. While Mr Gandhi spoke of the huge trade deficits the country was running, Mr Lho talked of the long-term possibilities of Indo-South Korean collaborations and third-country joint ventures.

India, which has placed orders for 27 cargo vessels with South Korea, ran up a huge deficit of 707 million dollars in 1984, with exports totting up a little over 102 million dollars and imports touching 809 million dollars. In 1985, the country was still facing a deficit of 225 million dollars, imports amounting to 350 million dollars and exports rising to 125 million dollars.

During the talks, Mr Lho apprised Mr Gandhi of the situation in the Korean peninsula, as well as of the preparations in Seoul for the forthcoming tenth Asian Games in September this year and the 1988 Olympics.

Mr Lho, who earlier in the afternoon called on President Zail Singh extended invitation to him to visit South Korea during the Asiad. He also invited Mr Gandhi to pay an official visit.

At a banquet later in the night, Mr Lho spoke of the great potential for strengthening and broadening friendship between the two countries and said it was in this spirit that a Korean business delegation accompanying him had hoped to work with Indian industry.

Mr Lho said he was also deeply impressed by Mr Gandhi's personal warmth, his insight into international relations and his determination to achieve peace and justice. He hoped his visit would forge closer cooperative relations between the two countries.

Mr Lho expressed his highest esteem for the impressive results of economic policies carried out by Mr Gandhi and for his contribution to the launching of the South Asian Association for Regional Cooperation.

The association was a "tangible example of South-South cooperation" and strengthening it was a major policy of the South Korean Government, Mr Lho said.

The South Koren Premier also spoke of the efforts to resume direct talks with North Korea on reunification of the two countries. The Korean issue must be resolved through dialogue between the two sides directly concerned, he said.

Earlier at a luncheon given in his honour by the FICCI, Mr Lho called for a free trade system and the international division of labour

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INDIA

OFFICIALS URGED TO LEAVE FOREIGN FRIENDSHIP GROUPS

Calcutta THE STATESMAN in English 6 Mar 86 pp 1, 9

[Text] New Delhi, March 5--The leakage of the contents of the complaint against Rama Swarup, in particular the acceptance of trips to Taiwan by some M.P.s and others and their involvement in associations established to boost this country's relations with foreign countries, is beginning to recoil on some Congress(I) leaders and "friendship" associations or societies that the Congress(I) party has assidously sought to foster.

Two Governors, Mr B.N. Pandey of Orissa and Mr Shaukar Dayal Sharma of Punjab, have been asked by the party High Command to relinquish their stewardship of the India-China Society and the India-North Korea Association, respectively.

At an earlier stage, when the Commar Narayan case began receiving publicity, the then External Affairs Minister was worried that Mr Pandey had not resigned the presidentship of the India-China Society, in spite of clear indications given to him to do so. Even Indira Gandhi had advised Mr Pandey to relinquish that office quickly--although the India-China Society had Mrs Gandhi's blessings. The society was formed with a view to countering the influence of the India-China Friendship Association led by the CPI(M).

Influence

Later, the Congress(I) sponsored the Friends of the Soviet Union in order to counter the influence of the India-Soviet Cultural Society which had been functioning for 30 years under the leadership of the CPI. Mr Sharma, at one time Congress president, Mr Vithal Gadgil, Mr P. Shivshankar and others were the leaders of the FSU. Mr K.R. Ganesh was the general-secretary. When Mr Goldwin, who has now been dropped as minister for heavy industry of the Soviet Government, used to come to India to address the FSU, he was not only given official receptions but treated as a Government guest. He used to stay in the guest house of the Central Warehousing Corporation.

The External Affairs Ministry and the Union Home Ministry are worried that Mr Shankar Dayal Sharma continues to be the president of the India-North Korea Friendship Association. This apart, Congress(I) leaders are said to have been guests of Pyongyang, the North Korean capital. They include Mrs Rajendra Kumari Bajpai and Mr Shivraj Patil. Some of the former general secretaries of the AICC(I) are also said to have been given air-tickets to visit Pyongyang and received North Korean hospitality. Nearly 200 M.P.s of many political parties, newspapermen, social workers and people from different professions, including lawyers, have visited North Korea in the past four or five years. Both free tickets and hospitality were extended to them.

North Korea has opened an international office in Greater Kailash in Delhi to propagate the idea of "juche" which is the political philosophy of Kim Il Sung. Certain AICC(I) general secretaries and ministers are said to be patrons of this international institute of "juche."

Some three years ago, an international seminar on "juche" was organized in Delhi. The Speaker of the Lok Sabha participated in it. Some ministers like Mr Narayan Dutt Tiwari and senior Congress(I) office bearers like Mehmooda Begum were reportedly associated with the seminar.

The Libyan Embassy last year organized a seminar on the Green Book of Col Gadaffi, which is their official doctrine, in a five-star hotel in Delhi, which was also attended by many political personalities and officers.

The Iraqi Emassy organized two seminars against Iran which were attended by senior Congress party leaders, such as Mrs Bajpai, they an AICC(I) general secretary. The argument was that the Congress(I) has a friendship protocol with the Baath Socialist Party.

Parties

Many Congress(I) M.P.s have not taken well Mr Rajiv Gandhi's advice given at a meeting of the Congress(I) parliamentary party that they should avoid going to exclusive parties in embassies or in ambassador's houses. They argue that the Congress(I) party has friendly relations with as many as 35 foreign political parties, whose representatives were invited to the Congress Centenary celebrations held in Bombay recently. Of late, the AICC(I) has decided to have close relations with the CPSU and sent a high-power top-level delegation headed by the vice-president, Mr Arjun Singh, to Moscow to participate in the CPSU Congress there. This being the case, the Congress(I) M.P.s argue, close-door political dialogues with foreign party leaders are unavoidable, particularly if these foreign parties are also the ruling parties in their own land. It is argued that Mrs Gandhi used to depend heavily on friendship societies and she reaped dividends, particularly when she was out of power. She was able to establish her image in West Asia and the U.K., through her emissaries abroad.

Congress(I) M.P.s further argue that foreign political personalities are received in the AICC office and given receptions by the AICC(I). Fraternal delegates of the Polisario Front, which is fighting in Sahara against Morocco, were invited by Mr Rajiv Gandhi, when he was general secretary of the AICC(I) in 1984, although India had diplomatic relations with Morocco.

Mr Rajiv Gandhi had also addressed a meeting of the India-North Korea Friendship Society. It is learnt from knowledgeable quarters that Mrs Gandhi as president of the Congress(I), used to accept exclusive dinner invitations in the houses of ambassadors, the object being to establish a rapport on a people-to-people and family-to-family basis.

The proposed code of conduct for Congress(I) men, now being finalized, will presumably contain several injunctions against association with foreign embassies.

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PUBLIC SECTOR ACCOMPLISHMENTS FOR 1984-85 REPORTED

Calcutta THE TELEGRAPH in English 28 Feb 86 p 8

[Text] New Delhi, Feb. 27: The Central public sector enterprises showed a record net profit of Rs 929 crores in 1984-85 compared to a profit of Rs 240 crores in the previous year and the previous best of Rs 614 crores in 1982-83.

According to the public enterprises survey for the year by the Bureau of Public Enterprises (BPE), there was an impressive expansion in public sector investment which rose by 21 per cent. Their turnover, export earnings and contribution to the exchequer also improved.

The annual report on the working of industrial and commercial undertakings of the Union government was presented to Parliament here today by Mr M. Arunachalam, minister of state for industry.

The investment in Central public enterprises increased from Rs 35,394 crores in 1983-84 in 214 enterprises to Rs 42,811 crores in 1984-85 in 221 enterprises—an increase of Rs 7,417 crores recording a growth of 21 per cent. The top 10 enterprises account for 54.8 per cent of this total investment.

The gross profit of Central public enterprises has shown an increase of Rs 1,072 crores from Rs 3,565 crores in 1983-84 to Rs 4,637 crores in 1984-85—an increase of 30 per cent. This is after an increase of Rs 563 crores in input costs and salaries and wages over the previous year.

Profit before tax

The profit before tax also increased by Rs 1,639 crores from Rs 1,480 crores in 1983-84 to Rs 2,119 crores in 1984-85 which works out to an increase of 43.2 per cent.

The percentage of gross margin on capital employed of 20.3, achieved during 1984-85, isa the highest achieved so far. The percentage of gross profit (profit before interest and tax) to capital employed also increased by 12.74 per cent.

The number of enterprises making pre-tax profit increased from 109 in the previous year to 115 during 1984-85. The top 10 profit-making enterprises contributed about 76 per cent of the total pre-tax profit of Rs 3,213 crores earned by 155 enterprises.

Sixty enterprises declared dividends totalling Rs 176.5 crores against 55 enterprises totalling Rs 133 crores in the previous year.

Of the 90 enterprises which incurred losses during 1984-85, 30 enterprises reduced losses in relation to the previous year. Several enterprises which incurred losses in the current year had made profits in the previous year.

During the Sixth Plan (1980-85), the Central public enterprises generated internal resources of Rs 11,653 crores. The number of enterprises generating internal resources has gone up from 102 in 1980-81 to 124 in 1984-85. The net internal resources generated by them, after repayment of loan, has increased from Rs 1,096 crores in 1980-81 to Rs 3,554 crores in 1984-85 which is higher by Rs 726 crores when compared to Rs 2,828 crores in 1983-84.

According to the survey, during the Sixth Plan, the public enterprises contributed an amount of Rs 27,557 crores to the exchequer in the form of corporate taxes, excise duty, customs and other duties and dividends. It increased from Rs 6,554 crores in 1983-84 to Rs 7,597 crores in 1984-85 showing an increase of Rs 1,043 crores or 15.9 per cent.

The public sector enterprises have achieved higher export earnings during 1984-85 touching a level of Rs 5,827 crores against Rs 5,532 crores in the preceding year recording a growth of 5.3 per cent.

Gross sales

The gross sales of public enterprises has gone up from Rs 11,688 crores in 1975-76 to Rs 54,668 crores in 1984-85 indicating an average annual growth rate of about 36.8 per cent. In 1984-85, the growth of gross sales over the previous year was 15.6 per cent. Sales as percentage of capital employed in respect of manufacturing enterprises has grown from 124.8 per cent in 1975-76 to 162.6 per cent in 1984-85. However, compared to 1983-84, the ratio has shown a decline from 174.3 per cent to 162.6 per cent in 1984-85.

In 1984-85, the number of employees increased by 1.69 per cent over 1983-84. The average annual per capita emoluments of the employees increased from Rs 21,546 to Rs 24,301.

The Seventh Plan envisages a total public sector outlay of Rs 180,000 crores of which the Central public enterprises share would be worth Rs 43,000 crores. For financing the Plan outlays, the public enterprises have to generate internal resources to the tune of Rs 31,500 crores and a further amount of Rs 11,490 crores through additional resource mobilisation efforts.

The government is actively considering the reports of the Economic Administration Reforms Commission and the high-powered committee set up under the chairmanship of Dr Arjun Sengupta, which have gone into the problems of public enterprises.

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INDIA

BRIEFS

RAJIV ON U.S.—Prime Minister Rajiv Gandhi said in Delhi on Wednesday that the gap between India and United States had narrowed down and their relations improved after his visit to that country in June last, reports UNI. Mr Gandhi, however, admitted that India still disagrees with the U.S. on such policies as the support extended by Washington to the White minority regime in South Africa. He said though India and the U.S. basically stood for democracy, freedom and humanity, "we found that in some countries, the U.S. is very happily supporting dictatorships, not even benign dictatorship. So these contradictions are causing problems." The Prime Minister said this at a question-answer session of Young Presidents' Organization, where he earlier delivered the key-note address at the international conference. Mr Gandhi said the Soviet Union had been helping India for the last three decades in development projects and industry. But the U.S. had always asked for a price. Mr Gandhi said the Government had no plans for privatisation of industry." [Text] [New Delhi PATRIOT in English 6 Mar 86 p 6] /8309

FOREIGN TIE-UPS—The number of foreign collaborations approved by the Government during 1985 stood at a record 1,024, reports Unifin. Twenty European countries were connected in about 60 per cent of these. The United States topped the list with 97 collaborations, followed by the Federal Republic of Germany 180, United Kingdom 147, Japan 108, France 61, Italy 56, Switzerland 42, Sweden 29, the Netherlands 16, Canada 15, Austria 14, Denmark 12, German Democratic Republic 12, Belgium Nine, Australia and Czechoslovakia seven each, Taiwan and Yugoslavia six each, Hong Kong, South Korea and Singapore five each, Finland and the Soviet Union four each, Norway and Spain three each, Hungary, Mexico, Poland, Portugal and the United Arab Emirates two each, Bahamas, Bahrain, Bermuda, Brazil, Faero Islands, Jordan, Liberia, Sri Lanka and Thailand one each, besides 52 with non-resident Indians. Of the 52 cases of collaboration with non-resident Indians, 24 were from NRIs in the United States, five from Federal Republic of Germany, two each from France, Italy, Japan, South Korea, Sweden and the United Kingdom, and one each from Belgium, Canada, Cyprus, Finland, Ireland, Kuwait, the Netherlands, Sri Lanka, Singapore, Switzerland and Taiwan. Of the total investment of Rs 1258.67 million approved the share of the United States were Rs 399.24 million and of non-resident Indians Rs 190.40 million. Category-wise 620 of the collaborations were technical, 239 financial and the other 165 were for drawing and design. During the 29 years ending 1985, 9,660 collaboration agreements have been approved. [Text] [New Delhi PATRIOT in English 5 Mar 86 p 2] /8309

ASSAM BYELECTIONS — Guwahati, March 3 (PTI)--The ruling Assam Gana Parishad (AGP) today won the Kaliabor and Golokganj Assembly seats in Assam where byelections were held yesterday increasing the party's strength to 71 in the 126-member House. In the prestigious Kaliabor constituency, Mr Gunin Kazarika was declared elected, when he defeated his Congress(I) rival, Mr Boloram Nag, by 25,450 votes in a triangular fight. The United Minorities Front candidate, Mr Abdul Khalek, who lost his security deposit, could secure only 955 votes. Mr Dalim Roy won the Golokganj seat, defeating his nearest CPI rival, Mr Allauddin Sarkar, by 2,518 votes. Three other candidates who were in the contest lost their security deposits. While election to the Golokganj seat on December 16 was countermanded due to the death of the Janata candidate, the byelection in Kaliabor was necessitated as the chief minister of Assam, Mr Prafulla Kumar Mahanta, resigned from his home constituency. The chief minister had also won from Nagaon constituency. Following is the party position in the Assembly at present: AGP-71, Congress(I)-25, United Minorities' Front-17, Congress(S)-4, CPI(M)-2, the Plains Tribals Council of Assam-3, and Independents-4. [Text] [Calcutta THE TELEGRAPH in English 4 Mar 86 p 12] /8309

BJP MEMBER RESIGNATIONS--Imphal, March 3--Three thousand and five hundred Bharatiya Janata Party workers resigned en masse from the party yesterday, according to a Press note issued by Mr Haobam Borobabu Singh, former secretary of the Manipur State unit of the BJP, reports UNI. A party release issued here yesterday said that all presidents of five district units, including executive committee members, had also resigned from the party. The State unit president, Mr L. Raghumani Sharma, and the vice-president, Mr K. Naran Singh, had tendered their resignations a few months ago. The release, however, did not spell out any reason for the mass resignation. The resignation letters have been sent to the all-India BJP president, Mr A.B. Vajpayee, in New Delhi. [Text] [Calcutta THE STATESMAN in English 3 Mar 86 p 1] /8309

NEW CSIR CHIEF--New Delhi, February 27--Dr. A.P. Mitra, a noted physicist, today took over as director-general of the Council of Scientific and Industrial Research. He will also hold the post of secretary, department of scientific and industrial research. Dr. Mitra earlier headed the National Physical Laboratory and is the chairman of the scientific advisory committee of the Indian middle atmosphere programme. Dr. Mitra succeeds Dr. S. Varadarajan who was shifted to the planning commission as chief consultant. As a basic research worker Dr. Mitra's expertise is in sharp contrast with that of Dr. Varadarajan who has long experience of laboratory-industry interaction and had played a key role in the establishment of the Indian petrochemical complex and was also the chairman of the public-sector Engineers India Limited. Dr. Mitra has, of course, won recognition for his outstanding contributions in the field of radio science research in India. He is the only Indian to be elected president of the Union Radio Science Internationale, an office which he holds currently. Dr. Mitra introduced tropospheric radio research in India in the seventies and contributed to the development of time and frequency standards in the country. Of the many research activities of Dr. Mitra, his work on ionospheric effects of solar flares, the lower ionosphere and ion chemistry has had a significant impact. As secretary of the Indian national committee he guided the international geophysical year programmes in the country, introduced radio communication predictions that serve all radio traffic organisations in the country and established the associate regional warning centre that helps rapid dissemination of solar and geophysical data over the subcontinent. [Text] [Bombay THE TIMES OF INDIA in English 28 Feb 86 p 4] /8309

CSO: 4600/1528

IRAN

EXPANSION, RENOVATION OF HEAVY INDUSTRIES EXAMINED

Tehran KEYHAN in Persian 27 Jan 86 p 18

> [Text] Economic service. The policies and strategy for the development of the national industries were examined by Engineer Behzad Nabavi, the minister of heavy industries, in the '65 [21 March 1986-20 March 1987] plan and budget seminar of the organization for the expansion and renovation of Iranian industries.

Part one of the statements of the minister of heavy industries was published yesterday. In the concluding part, we will report his views on the past operations and policies of heavy industries, the increase in the percentage of domestic production, the preparation of a plan to change conditions in future policies, coordination with the plans of the revolution decade, not issuing agreements in principle, the currency share of heavy industries, the creation of revenues through industrial exports abroad, industrial partnerships with other countries and the closure of units that are less self-sufficient and require more currency. In part one, two points of the first objective were stated.

The third point concerning the first goal was the issue of the increase in the percentage of domestic production. In this area also, conclusions were made. Of course, it was an acceptable goal which had to be implemented. We examined the imposed mechanisms and policies of the past, and followed them up with some revisions, and it was ultimately again placed as the main goal in the future program of the heavy industries.

But I must also say that the implemental operations of this goal were really shameful. We cannot hold up our heads and admit that after two years of working in this area agreements for only $12 million in parts that could be manufactured domestically with the existing resources in the country have been signed and such parts have entered the production line of the existing units under these currency conditions, whereas we had projected more than $250 million in parts to be manufactured in 10-15 factories in an attempt to conserve currency.

Therefore, we based the first goal in the new period on "raising the percentage of domestic production," "increasing quantity" and "raising quality." This indicates the priority we have placed on the goal of changing the existing situation to a more desirable one.

The Strategy of the Heavy Industries

The minister of heavy industries then explained the goal of development and creation and the ministry's procedure for examining the operations in this area.

For the goal of development and creation, we had the following three objectives: "Long-term, medium-term and short-term planning and strategies for the heavy industries," "completion of incomplete projects" and "new investments for the development and creation of heavy industries."

These three objectives were accepted. In our estimation, all of them can be approved for the next period, with certain alterations appropriate to our existing situation, to which attention must be paid.

Revisions of the five-year plan and the annual plans were noted and it was also emphasized that actions must be based on a program. It was also determined that the planning council should actively begin its work.

On the other hand, the government also revised the strategy for its five-year plan, which was ratified in the first debate of the Majlis. At present, we are actively dealing with this issue in the Cabinet. Therefore, the work that will be done in the heavy industries will, God willing, be coordinated with the work carried out throughout the country and this will come under our first goal.

Under our second goal, which is the completion of unfinished projects, I must say that during the past few years, many of our incomplete projects have reached the final stages and our goal in the future programs is to complete all the unfinished projects as soon as possible.

Of course, we have many implemental problems. The government projects suffer from lack of funding and not budget shortages, such as the Persian Gulf shipbuilding and the secondary copper industries projects, which were allocated no budget this year.

On the other hand, due to the decrease in production and problems existing in production, domestic investment resources have decreased, and the currency problems also prevent us from implementing the projects and developmental plans and actively dealing with them.

As I said, fortunately, this year, the government has decided on a series of developmental projects as the projects of the revolution decade, of which seven or eight are among the projects of the Ministry of Heavy Industries, such as the tractor manufacturing, Azar water, Hepco, Z.F., Nissan, (Idem) development, (I.C.I.) and the subsidiary copper industries projects, which must be procured from domestic resources and particular attention paid to them. Also, a special currency will be allocated to them.

In regards to the new investments as well, the operation has been very good in terms of quantity, and thus far perhaps 270-280 billion rials worth of permits for investments have been granted, which is a very high figure. But considering the present resources and conditions, in setting the new goals, we will not grant agreements in principle in a general form any longer, except under special circumstances and in special instances.

Halt in the Issuance of Agreements in Principle

Then, concerning the situation of the agreements in principle that have been issued, the minister of heavy industries said: When I was studying the report on the third quarter for provincial and national agreements in principle, I saw dozens of principles in agreement issued, for example, for manufacturing agricultural trailers in various provinces. At the same time, we are shutting down the trailer manufacturing line of the tractor manufacturing for the next year due to the shortage of currency. This shows lack of coordination and it is wrong.

We are trying to shut down the Sepanta factory in Ahvaz even though we know the amount of galvanized pipes it produces. On the other hand, we are granting agreements in principle for the production of galvanized pipes. If we were smart enough, we would complete this one (the Sepanta factory).

From now on, our developmental and building plans must be mainly in the areas which we can see would lighten our load, rather than expanding something which is like what we already have but cannot operate at full capacity.

Hence, I emphasize that all the agreements in principle, whether they have or have not been finalized, and those which have not reached the stage of purchasing machinery, must be reviewed. We are not able to procure them. I am not afraid of investments, but I am afraid of the open mouths that will want raw materials from us when these projects achieve results.

With the limited resources, we are not able to invest in every field where there is a void; we are allowed to invest only in selected fields.

For example, we must permit the manufacture of crankshafts. We must allow the manufacture of carburetors for the engines which have already been produced. Suppose we are given permission for the manufacture of engine and car parts that are built and the spare parts of machinery and compressors that are imported from abroad rather than trying to build trailer and pipe factories [as published].

Currency Share of the Heavy Industries

Concerning the share of the currency of heavy industries and the subsequent problems, Engineer Behzad Nabavi said: In '64 [21 March 1985-20 March 1986], the total currency allocated to heavy industries was $1,350 million, which by calculating 20 percent currency (uzans) comes to about $1,620 million, of which amount perhaps $75 million of currency in cash has been given to us.

Hence, at the present, our most important goal for changing the program and the directions we will take in '65 [1986-87] will be the currency issue.

Now, we make an examination. In '62 [21 March 1983-20 March 1984], our allocated currency was about $2,400 million. But during this two-year period, ('62 to '64 [21 March 1983-20 March 1986]), there was world inflation--and we all know that we sold our oil in dollars, but we make all of our purchases, especially in heavy industries, in currencies such as the pound, DM, and krona. During the past year, the rate of all currencies increased compared to the dollar; even so, a series of new units has reached production. All of these agreements in principle which have reached fruition; or the unfinished projects that have been completed; or the Hepco company, which presently produces at such a capacity; or the Pars wagon company and Khavar company, in which the "L" project has become operational; or the Iran vehicle company, in which the bus line is becoming operational; or the Iran Kaveh, in which the new truck manufacturing line has started, all of these, which are the sources of our revenues, have been carried out since '62 [1983-84].

Unfortunately, since '62 [1983-84], the currency share of the industries sector has regularly decreased such that, if the share of other sectors have not increased, at least the rate of their decrease has not been as high as that of the industries sector of the country--I mean, in general, and not only the heavy industries. Unfortunately, this decrease in the currency share continues in '65 [1986-87] as well.

$15 Billion Budget

In other words, the ceiling of the currency budget being set in the Majlis is $15 billion, with the difference being that in '64 [1985-86] you had the possibility of 20 percent (uzans) and your total currency in the 1985-86 year was $16.6 billion, that is, 20 percent of the (uzans) that you consumed this year. Next year, you must pay the debt of the previous year as well. Of course, in '65 [1986-87] you will have 20 percent (uzans). In any case, the currency that is given to us in '65 [1986-87] is about $1,350 million for production, plans, the decrease in the rate of the dollar, the increase in the rate of inflation and the creation of new production units of the country.

In '63 [1984-85] in any form possible, with an 11 percent increase in production compared to '62 [1983-84], we were able to increase the share, but in '64 [1985-86] and at the present, in the 9 months of this year, we had about a 12 percent decrease in production compared to the previous year, that is, we fell 1 percent under the statistics for '63 [1984-85].

You know that costs increase and revenues decrease. Therefore, you see the problem for yourself. We have $1,350 million in currency in '65 [1986-87], compared to $1,620 million in '64 [1985-86], and compared to $1.7 billion in '63 [1984-85], and again $2.4 billion in '62 [1983-84]. Well, put yourself in our place. What must we do?

The minister of heavy industries added: Suppose we put this issue to a discussion in the mobilization headquarters of heavy industries. Should we deal with the condition of the crisis? How should we deal with the issue? And we reached the conclusion that we cannot deal with it in this way. This is a crisis that we fought for three years. But it is now stabilized throughout the society and we do not have the power to change the existing situation and conditions.

You should all sympathize with us. You must know what the ailment is and what the problems of the country are. I request that the deputy for the plan and program of the ministry make a study to see how much of this $1,350 million is our currency share, considering the increase in the number of units, the world inflation rate, the decrease in the rate of the dollar and such parameters compared to '62 [1983-84]. I think that if we take the 1983-84 year as a base, it will be a figure amounting to $900 million, that is, a complex that received $2.4 billion in currency will now receive about $1 billion. Under present conditions, you should not think that they will count this $1 billion dollar by dollar and hand it to you. You must work hard, do (uzans), bartering and so on, and whenever the credit ceiling is reached you must go to another one. In the meantime, we went to bring the fire and blood of the heavy industries of the country to fruition, first with the help of God and then with your help. And we believe that if we make good decisions and carry them out well, we will be able to minimize waste and problems.

The Establishment of the Headquarters for the Control of Projects

For the unfinished projects, we have also established a control headquarters for projects similar to the production control headquarters to put pressure on the projects in order to be able to make some of these important projects move and achieve self-sufficiency, because in this way, some of the burden will be lifted from our shoulders.

The more we expand the level of the agreements in principle and create more units to fill the capacities, the heavier our burden becomes, but the more we advance in depth, the lighter our burden becomes.

Therefore, in the case of the projects, our line is to advance in depth and not superficially; but we should move horizontally when it has an effect on the depth of other projects.

For example, at present, gear boxes are imported from abroad, assembled and made ready. The "Z.F." project must certainly become operational for next year. What difference does it make? For something that is supposed to come from abroad to be mounted under a truck, at least we can assemble it ourselves, and in the next stages, God willing, as we go on, we will give less currency.

Even if there is a project and we see that it can lift a burden off our shoulders for two more years, we will give it priority.

In this manner and on this basis, we will select the new projects.

Increase in Industrial Exports

The minister of heavy industries then said concerning the role of the industrial exports in increasing currency revenues: We must make the industrial exports active and we request the brothers not to deal reluctantly with this issue. Now, our only way out in the area of procuring currency other than through the government is to be able to export through the sheikdoms to the south of the country, through the Iranian workers and drivers, or, as it was recently decided, we can give 3,000 Renaults to Turkey and receive "C.K.D." tractors from them and assemble them in Tabriz tractor-manufacturing factory. The currency for tractors is given by the Ministry of Agriculture and the currency from the export of Renaults comes to us.

Or, for example, we should be able to export trucks and small vans to the sheikdoms with the minimum currency that is procured for it in order to continue the production lines.

Or we could carry out joint projects with India and Turkey. We could create a unit abroad and they could make one here, and in this way, we could acquire some currency.

For '65 [1986-87], we have set our hearts on $1.8 billion, hoping to be able to talk and procure it. If the deputy minister of plans and programs gives the analysis that I suggested sooner, we will be able to discuss it so that we will be able to set $1.8 billion and discuss it. Now, it is not clear who will accept it, because they must also cut from here and there to give to us.

Of course, I repeat, the $1.8 billion that we set is considering $1,350 billion before the price of oil became what it is. Therefore, we thought we would be able to acquire $450 million of it from here and there, that is, from export currency and so on, and we even stopped some productions which were not included in this $1.8 billion and we said if other organizations give, then we will work for it. Suppose, for example, that next year Khavar company produces only 20 units and if it gives the currency for 40 other units, we will work for it, otherwise, Khavar will stop.

Therefore, considering such a currency situation as we have, we could anticipate two ways in regards to the production units. First, to slow down all operations, for example, to about 30 percent and keep those that have priority at 50 percent. What will be the results? We will make all the heavy industries of the country operate with losses and we do not know where the subsidies for the losses will come from.

Hence, this plan was rejected unanimously in the mobilization headquarters in which all the deputy ministers participate. The headquarters said: If the plan was for one year, we would accept it; but this is the picture for two or three years, and while we do not call it a crisis, we are saying it is a change in the situation and conditions for planning.

Therefore, we must now make different plans. Hence, what came to the minds of the brothers in the headquarters was a surgical operation that must be performed on production units. The less self-sufficient production units, the production units which use more currency, the production units whose production lines will be stopped in the long term, all of these will have to be shut down. This program will include production units that have all or some of these characteristics.

We informed the expansion organization of this direction and all the other divisions were also notified. Of course, shutting down does not mean in all cases that that line will really shut down. That line may be able to procure currency from somewhere.

Hence, there are lines or units that will be stopped whether or not they provide currency. There are lines or units that will operate if they are given currency from another source. Why do we want to do this?

We want to reduce the consuming units somewhat. But you must know that the political and social consequences of such a reduction are very severe. We must all think about how we can reduce them. Can we just send the people back to the streets, just like that? Hungry and unemployed, what can they do? We must all think, this is a serious and real program that must be implemented and we will announce to the complexes under our supervision that the surgery should begin as soon as the currency budget is given final ratification.

No one should think that he can come and say, please God, not me, not this one, another, this line and that line. Instead of all this, go and think carefully what must be done. We do not want to lose the production potential of the country as a result of these halts.

We must do something that when this factory is out of operation, for instance, the press equipment can be set up somewhere else and the person who wants to go and import it can use that line. This line and the expertise must remain so that if the conditions change we will be able to take steps.

In conclusion, Engineer Behzad Nabavi said: I thank the gentlemen, particularly Engineer Baqerian, the head of the expansion organization, for arranging this gathering. We feel that the velocity of the movement has not slowed down, but, the work is acquiring a more fundamental, logical and essential course. We hope that with the help of the organization and the units under control, they will continue the path they are following. We are ready to serve you.

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CSO: 4640/219

EDITORIAL SCORES PROPOSED GANDHI PARTICIPATION IN MEMORIAL

Lahare NAWA-I-WAQT in Urdu 15 Feb 86 p 3

[Editorial: "Against National Dignity"]

[Text] According to a news item, the foreign office of Pakistan is planning to erect a memorial in Lahore to perpetuate the memory of the time when, in 1929, in this city the Indian National Congress passed a resolution demanding complete independence from the British. It is supposed to show the importance of our city in the struggle for India's independence. It is suggested that this memorial will promote friendship between the two countries by reminding them how they had struggled together against foreign rule in the subcontinent.

This suggestion seems to be perfectly unthinkable, but when technocrats without any political vision begin to interfere in politics, such far-fetched schemes come into being. A similar scheme was suggested in 1960 when Pandit Nehru (then the prime minister of India) visited Pakistan to sign the Indus Basin Treaty. In response to a toast at a reception given in his honor at the famous Shlamar Gardens, Mr Nehru was carried away by emotion, He was emotionally attached to this city. His wife was from Lahore. This show of emotion was very misleading. It made people forget that Pandit Nehru, despite his secularism and broadmindedness, was an enemy of the Muslims and their struggle for Pakistan. For instance, in 1946 the Congress had accepted the plan of the Cabinet Mission, but when Nehru found that in that plan the country would be divided into three provincial groups and the Muslims would get what became Pakistan, Pandit Nehru made the Congress reject the plan. A similar scheme for erecting a memorial was proposed during his visit to Lahore in 1960. It must have been suggested by similar technocrats devoid of political vision. The Ayub government did not think the scheme worth consideration. How did our foreign office think of reviving a proposal that was rejected 26 years ago? Well, we should reject it again and bury it so deep that it can never crop up again.

We should have good friendly relations with India but not at the cost of our national dignity and pride. One-sided efforts at friendship can never succeed. We should always keep in view India's attitude towards our country. We should be realistic and remember that India's consulate in Karachi was opened on the condition that Pakistan would be allowed to start a similar consulate in Bombay. For this purpose Pakistan wanted to rent a bungalow on Malabar Hill, which had once been the residence of Qaid-e-Azam. The Indian government assented at first, but soon, as is its habit, backed out of its promise. Even after so many years the matter has not been settled. The people at our foreign ministry did not have the strength to make India deliver what we wanted, but after receiving one slap they are turning the other cheek to get another slap. They are offering to build a memorial to what the ruling party of India did in January 1929. They claim that when Hindus and Muslims remember that they had fought against the foreigners together, they would learn to respect each other. We beg to say that this method of making friends smacks of sycophancy and shows an utter lack of self-respect. The whole idea is too shallow to serve any solid national purpose.

If we follow what the people at the foreign office have proposed it would mean that we have been overawed by India's superior power. It would be as shameful as was the behavior of one of our so-called singers who in Bombay prostrated himself before a woman singer of India and made every Pakistani bow his head in shame. In international affairs unilateral efforts at friendship always mean a proof of weakness. When we try to normalize our relations with India, we should watch how they are responding to our advances. A scheme such as this should not even be thought of at present. After a very long time the rule of the country has come into the hands of the political party that had the unique privilege of forming Pakistan. In India the Congress Party (that did all in its power to prevent the creation of Pakistan) has been ruling all along. The rulers and leaders of India have never accepted Pakistan in their hearts. Indian Prime Minister Rajiv Gandhi showed this hidden resentment at a function in Deradun School when he said, in the present of Pakistani alumni, that the demand for Pakistan was not made by the people of any region, nor was it the result of any historical process, but the foreigners, when they left, just drew a line across the country. If we try to make friends with the rulers of such a country it will strengthen those elements in our country that have always been followers of the Indian Congress and its one-nation theory. This scheme can encourage them to start their activities once more. They have always waited for such an opportunity. The Soviet occupation of Afghanistan has endangered the security and integrity of Pakistan. This has encouraged Ghaffar Khan and his son Wali Khan to say anti-Pakistan things openly. Their friend and crony, Ghaus Bux Bazenjotoo, has started saying that in Pakistan he feels as oppressed as he did in the days of the British. People who do not understand politics cannot see the implications of these words. Our aim should only be to become strong enough to protect the freedom and integrity of our homeland. We need internal unity and a lot besides. India can make a memorial to its ruling party's declaration of independence in its own country. We should only try to protect the Tower of Pakistan which we erected to commemorate our struggle for freedom. This tower should remind us of our duty to our nation. People of Pakistan should be proud of their homeland. They should be given political education that would help them to understand how good it is to be a free nation.

12476/12851
CSO: 4656/56

COMMENTARY VIEWS FOREIGN MINISTER'S REMARKS ON INDIA

GF121630 Karachi MASHRIQ in Urdu 8 Mar 86 p 3

[Editorial: "Sahabzada Yaqub Khan's Clarifications"]

[Text] Pakistani Foreign Minister Sahabzada Yaqub Khan has rejected Indian claims that Siachen Glacier is part and parcel of the occupied state of Jammu and Kashmir. He said that, although the governments of the two countries have decided to hold talks on this issue, Pakistan stands firm on its stance that historically this area has been under Pakistani control. In fact talks were held between the two defense secretaries last January. The next round of talks on this question is scheduled for April. Sahabzada Yaqub Khan said: Our viewpoint is that the parties concerned should abstain from making statements which may prove harmful to the results of the coming talks.

Similarly, Sahabzada Yaqub Khan rejected the statement of the Indian foreign minister that there were still some differences between the two countries on the question of prohibiting attacks on each other's nuclear installations. The actual situation, he said, is that it was India which first initiated the proposal not to attack each other's nuclear installations in the Rajiv-Zia meeting in Delhi on 17 December. Both leaders, in their joint press conference, announced their understanding not to attack each other's nuclear installations. A record of this understanding exists even though not in a written agreement form. Subsequently, in their meeting in Islamabad in January the foreign secretaries of the two governments agreed upon a draft agreement in this connection. Only a couple of brief introductory passages are to be added to this draft agreement, but they are not connected to the main text of the agreement.

Responding to a question on the efforts of the Indian foreign minister to implicate Pakistan in the current domestic situation in India, Sahabzada Yaqub Khan said: Whenever there are problems in India, the Indian ruling circles blame it on foreign intervention. This accusation is totally baseless. Pakistan strictly follows the principle of nonintervention in the internal affairs of others.

It is a fact that India has repeatedly tried, through its false and provocative statements, to create hurdles in the way of the process which is being followed to normalize relations between the two countries. However, despite these efforts the process of normalizing relations is going on satisfactorily. The reason is that Pakistan is sincerely following a policy of good-neighborliness with India, and one that is free of tension and based on reciprocal cooperation. This is in the best interests of both countries and will help to promote peace and stability in the entire region.

However, this does not mean that in gaining friendship with India, Pakistan should ignore its national interests or forego its basic stands. Sahabzada Yaqub Khan stressed the fact that Pakistan will take every step necessary to safeguard its national interests and will try to settle disputes with India with dignity on the basis of equality. We hope that India too, in view of the importance and sensitivity of talks going on at various levels, will abstain from issuing statements which may adversely affect the expected outcome of the talks.

/9365
CSO: 4656/64

PAKISTAN

NEW RADAR SYSTEM TO KEEP VIGIL ON AIRSPACE

BK091630 Karachi Domestic Service in Urdu 1500 GMT 9 Mar 86

[Excerpt] The government has approved a scheme to install radar at Karachi, Lahore, Islamabad, and Questta Airports to keep vigil on the country's airspace. This was stated by the parliamentary secretary for defense, Colonel W. Herbert, Retired, during question hour in the National Assembly today. He said that a communication system will also be established to ensure full communication links in the country. Work on installing the radar and communication system will be completed by the end of 1988. Security steps have also been strengthened by the installation of X-ray screening equipment and closed circuit televisions at airports. In reply to another question, the parliamentary secretary said that several steps have been taken by the government to improve the antiaircraft defense system in Chitral District and desired results have been achieved from them. Violations from across the border have been considerably reduced. He said that 32 violations of Pakistan's airspace were committed during the first half of last year, while during the current year, there was one instance when 4 rockets were fired near Baroch in which there was no loss of life or property.

In reply to another question, Colonel Herbert said that the Pakistan International Airlines sold four DC-10 aircraft and bought from the proceeds of the sale three Boeing 747's and one Airbus; it had to spend no extra money for this.

/9365
CSO: 4656/64

END

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16 APRIL 1986

Near East/South Asia Report

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16 April 1986

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INTERIOR MINISTER INSPECTS PRISONS, VISITS METRO STATION

Cairo AL-AHRAM in Arabic 7 Feb 86 p 8

[Article by Hasan Abu-al-'Aynayn: "Minister of the Interior Decrees Converting Prisons into Productive Institutions and Applying Insurance to Inmates"]

[Text] Mr Ahmad Rushdi, minister of the interior, has decided to convert all prisons into productive institutions to utilize the human energy in them, to apply the social security system to prisoners, and to extend humanitarian and social care to their families. The minister denied rumors of cases of torture in prisons. He declared that prisons are open for any visitor or committee to meet the prisoners and talk to them. The minister also decided the replanning of Misr al-Jadidah metro station at the site of al-Laymun Bridge to eliminate traffic congestion through it, and to reduce the inconveniences suffered by the public who use the metro to Misr al-Jadidah and Nasr City.

During a visit to the Prison administration yesterday, the minister asked Major General Ahmad Raja'i, director of the administration, to allow all national and opposition newspapers to be made available to the prisoners. He also requested, while visiting the prisons' products fair, to concentrate on manufacturing uniforms and shoes to make the administration self-sufficient and to offer the rest of the products to employees of the Ministry of the Interior and the public.

He also asked that more decipline be achieved in prisons without being harsh, and recommended the use of police dogs to control drugs in prisons after learning of 38 cases of drugs being confiscated in prisons during the previous month, the drugs having been smuggled by visitors of the prisoners.

During his meeting with prison officials, the minister declared that he would not tolerate favoritism and that no employee will be punished because of rumors or hearsay, and that every employee in the Police Department or the Ministry of the Interior will be able to confront rumors, and will have the right to respond to all accusations, rumors, or hearsay.

The minister distributed prizes and certificates of merit to prison wardens who won, and he decided to pay all prison employees one extra month's salary as a reward for achieving development and increased production during the previous year.

During his visit to al-Laymun Bridge metro station yesterday, the minister asked Maj Gen Awwad al-Kurdi, director of the traffic department in Cairo, and Brig Gen Salah Mandur, assistant director, to form a committee as soon as possible to inspect the station and re-plan it.

13224/12790
CSO: 4504/212

MINISTER REVIEWS DECISIONS ON EDUCATION

Cairo AL-AHRAM in Arabic 6 Feb 86 p 8

[Article by Abd-al-Azim Darwish: "Minister of Education Attends Two National Party Conventions"]

[Text] Mr Mansur Husayn, minister of education, announced that the policy of the ministry during the second 5-year plan aims at improving the quality of education and the phasing out of the multi-tier scheduling periods in addition to controlling the excessive crowding in some class rooms and building new schools to replace those which are due for replacement. The policy of the ministry projects a 5 percent increase in the average rate of admitting students in first grade since investment in the present plan is sufficient to absorb all the students at the mandatory age. He also asserted that there will be no exceptions in admitting students in schools, or in lending, transferring, or promoting teachers.

Yesterday the minister attended the popular convention that was organized by the secretariat of the National Party in Cairo under the chairmanship of Dr Abd-al-Ahad Jamal-al-Din, party secretary in the capital, and the meeting of the educational committee of the National Party under the chairmanship of Dr Hilmi al-Hadidi, assistant general secretary of the National Party.

During the convention, which was attended by Yusuf Sabri Abu Talib, governor of Cairo, the minister said that it has been decided re-distribute new teachers or those who have been transferred to Cairo to various educational administrations because of the excessive number of teachers in some schools and the shortage in others. He also affirmed the ministry's concern for regulating attendance in schools till the end of the school year so student attendance will be taken until April 13; and students will not be allowed to take final exams if their attendance average is less than 85 percent of the school days.

The minister added that there should be no complaints regarding delays in the delivery of text books to schools before the beginning of the next academic year and that the percentage of books handed to students before the beginning of the present academic year reached 99 percent.

As for the phenomenon of private tutoring, the minister said that the ministry is not responsible for it because despite its having organized support tutoring groups for students since the beginning of the school year, parents continue to resort to private tutoring for their children without any need for it.

The governor of Cairo announced that needed land has been allocated to build schools after the elimination of encroachments on government land; this was done because of the increased crowding in classes in some schools.

13224/12790
CSO: 4504/212

EGYPT

CARTOON IDENTIFIES THREATS TO DEMOCRACY

Cairo AL-WAFD in Arabic 6 Mar 86 p 1

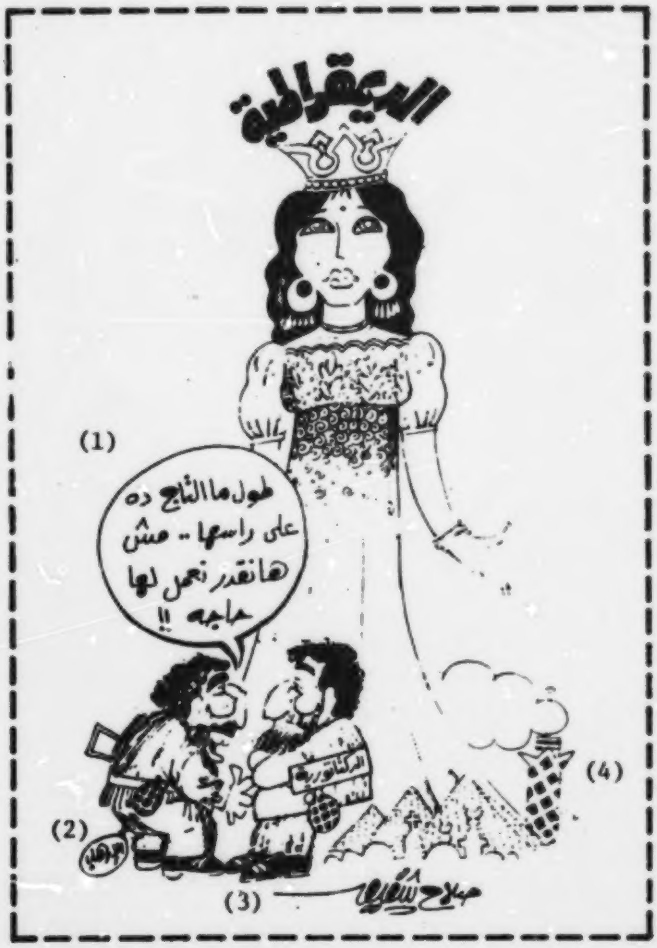
[Cartoon by Salah Shafiq]

[Text]

Key:

Crown on Egypt's head:
DEMOCRACY

1. As long as she's got that crown on her head, we'll never be able to get at her!!
2. Terrorism
3. Dictatorship
4. [Cairo Tower, a well-known landmark]


الديمقراطية
(1)
طول ما التاج ده على راسها .. مش هانقدر نعمل لها حاجه !!
الإرهاب
الدكتاتورية
(2)
(3)
(4)
صلاح شفيق

CSO: 4504/252

LIBYA

JANA: U.S., EGYPT SEEK TO CONTAIN SUDANESE REVOLUTION

LD202033 Tripoli JANA in English 1852 GMT 29 Mar 86

[Text] Tripoli, Rajab 18, March 29, JAMAHIRIYAH NEWSAGENCY--Repeated statements by the Reagan administration and Egyptian rulers on brotherly Sudan assert their persistent malicious and failing attempts to spread their domination and containment of the 16th April popular revolution which toppled stooge Numayri.

JANA Arab affairs editor commented on these gross interference in the affairs of brotherly Sudan. He said the American statements and identical statements by the Egyptian regime show their scorn for the Sudanese people and portray it as second or third rate human beings as their ill imagination tells them. The American administration and Egyptian rulers look down at the Sudanese people's options and pan-Arabist and patriotic orientations in the aftermath of the popular revolution giving themselves the right to think on behalf of the Sudan as if the Sudanese people are unable to decide for itself and as if they have the right to determine what is appropriate and what is not for Sudanese brothers.

The editor pointed out, in his commentary, that the rulers of America and Egypt do not hesitate to issue orders to Sudanese brothers concerning their pan-Arabist and national issues of destiny forgetting that today's Sudan with its popular revolution is different to what it was during the era of ousted Numayri's clique.

JANA Arab affairs editor ridiculed the Reagan administration's policies towards our people in Sudan. He said the tyranny and arrogance of American rulers made them forget that Sudan is of noble civilization. If America claims civilisation, the civilisation of the Sudanese people is thousands of years old and not a number of decades like the age of America which is alien to civilisation.

The editor added that what America and Egyptian rulers are doing is an encroachment of freedom and sovereignty of brotherly Sudan which is scornful and contemptuous to the capabilities, struggle, and fairness of our brothers in Sudan.

JANA editor for Arab affairs concluded by saying that they must know that Sudan is not impotent, for its struggle against colonialism, reactionaries and stooges is a long one. It is capable of realising the aspirations and those of the Arab nation.

/9365
CSO: 4500/103

MOROCCO

MINISTRY OF INDUSTRY DEVISES NEW INVESTMENT PROCEDURES

Beirut AL-IQTISAD WA AL-A'MAL in Arabic Feb 86 pp 40-42

[Interview with Tahar Masmoudi, Moroccan Minister of Industry and Trade: "We Have Set out an Integrated Statute To Serve Arab Investment"]

[Text] In spite of Morocco's late entry into the field of attracting Arab investment, it is now considered one of the most prominent of investment areas, since many attributes of a suitable investment climate are present on the one hand and there is interest on the Moroccan government's part in realizing a more extensive opening up to Arab markets on the other.

This has accompanied by the decline in Morocco's share of international trade, as in that of other developing countries, the inclusion of Spain and Portugal in the European Common Market, Morocco's main trade partner, and the exacerbation of the problem of foreign debts. While Arab investors were starting to think more seriously of investing in Arab countries, pushed by feasibility, faith in them and the diminution of oportunities in the international markets in these areas, AL-IQTISAD WAL-A'MAL had a lengthy conversation with Dr Tahar Masmoudi, Moroccan minister of commerce and industry, of which this is the text:

[Question] How do you view your relationship with the European Common Market following the inclusion of Spain and Portugal? What are your plans for finding alternatives in the coming years?

Dr Masmoudi: Morocco's relations with the European Common Market did not arise overnight. Rather, they are concentrated on the 1969 agreement and the cooperation agreement of 1976, proving the two sides' desire to develop and strengthen cooperative relations in various fields.

The European Common Market is considered our main trading partner, since it accounts for approximately 40 percent of our total foreign trade. It also absorbs 51 percent of our exports, of which foodstuffs make up 56 percent.

It is our agricultural product exports in particular which will experience difficulties and problems following the entry of Spain and Portugal into the Common Market, if objective measures are not taken to preserve our trade level.

In spite of the efforts exerted in the search for alternative new markets, the market absorbed 56 percent of our citrus fruit and 93 percent of early fruit exports in the period 1983-84.

The maximum importance of these commodities with respect to the agricultural sector, which employs more than 1.2 million workers, is no secret to you. These figures will suffice to explain our real fears in the wake of the expansion of the market to include Spain and Portugal.

Morocco has expressed its fears on a number of occasions and meetings, but it will be difficult to know the consequences of the new status of the countries of the southern Mediterranean, especially Morocco, before accurately assembling the contents of the detailed agreements which will be concluded between the market and these countries.

Morocco hopes that the market will seek to take the objective measures to preserve the interests of the countries of the southern Mediterranean as declared in recent months by the European Council, which declared the market's political desire to create general ground for these countries' development in the context of balanced relations. Therefore it is necessary to come up with a suitable means for realizing the interests of the enlarged European Market and the interests of the countries of the southern Mediterranean and to work to keep this expansion from being at the expense of the other peoples.

[Question] Morocco has striven in recent years to attract Arab investments in the framework of preparing a legally suitable investment climate through bilateral government contacts or Moroccan businessmen. How would you evaluate the initial response to this effort? To complete the subject, how do you view the issue of Arab investment in Morocco in the context of feasibility, faith and participation in national development?

Dr Masmoudi: As is no secret to you, either, the industry sector in Morocco is considered a priority in economic and social development plans, since the government has set out and developed an integrated statute for helping investors -- Moroccans, Arabs and foreigners -- by setting out legislative provisions and creating government and non-government reception boards to attract foreign capital in general and Arab capital in particular. The Moroccan government gives special attention to Arab investments, in view of the effective role they play in strengthening Arab cooperation. In this regard, it has concluded a number of bilateral commercial agreements or investment protection agreements between Morocco and a number of Arab countries, among which we might mention the agreements on non-duplication of taxes. A number of contacts have also been made between Moroccan businessmen and their Arab brothers, and economic conferences, most important of which was the second conference of Arab businessmen investors held in Casablanca, which produced positive results, including the creation of an Arab company for fishing investments, whose headquarters will be in Morocco, and the conference of Arab contractors which was also held in Casablanca.

It is to be noted at present that Arab investments in Morocco grew tangibly in the period between 1978 and 1983, since at the end of 1978 they constituted only 0.6 percent of total investments in Morocco and 4 percent of foreign investment, while they came to represent more than 9 percent of the total, and 46 percent in the case of foreign investment, at the end of 1983.

It is worth pointing out that the Arab investments which have received this assistance are at the same time directed toward economic activities with the greatest payout, and consequently contribute to the development of the industrial sector.

What about the Negative Features?

[Question] How, on the other hand, though, do you view the numerous negative features, whether related to the investment climate in Morocco or foreign conditions? Let us begin with the repercussions of the difficulties the Moroccan economy is suffering from.

Dr Masmoudi: There is no doubt that Morocco has suffered like others from the consequences of the international economic crisis, although the most flagrant damage has resulted from the great successive increases in the oil prices and the rise in interest rates on the international financial market, with the fantastic increases that have coincided with them in the exchange rates of the American dollar, while the international movement of trade has experienced a severe contraction whose main victims have been the developing countries, including Morocco, which has witnessed an exceptional situation embodied in drought, adding to the severity of the crisis.

However, the Moroccan government is working seriously to reduce the severity of these repercussions by means of a new economic policy focussed on preserving economic balance and restructuring all sectors, including the sector of industry. This policy has yielded good results so far, in the context of the development of exports and the opening of new markets or in the context of the effort to realize self-sufficiency in manufactured goods and the protection of domestic production.

[Question] Investors generally complain of a state of "immaturity" in the legal and administrative agencies concerned with foreign investment, in spite of the presence of legal texts and specialized authorities and departments, or let us say a sort of imbalance between the law and its application at times or the instability of the laws at other times.

Dr Masmoudi: With regard to the stimulation of investments, extensive expertise has been available to Morocco, beginning in 1960 with the issuance of a number of laws for the accumulation of investments in various economic areas and the establishment of economic agencies with the goal of facilitating investors' activity.

Therefore, Morocco has been able to improve its legal agencies and simplify administrative systems. In 1983 a new law on industrial investments was issued which is characterized by the grant of benefits and incentives on an automatic basis. An investor has only to present his investment program to the department of industry, which discusses it in a period of no more than 30 days. The permit of correspondence which this department grants is considered sufficient to compel the relevant departments to apply the provisions of this law, and the same is the case with respect to the acquisition of loans which the National Bank of Economic Development gives at low interest rates. In spite of the automatic nature of the laws in effect in the area of investment and the simplicity of the administrative statutes, we always seek to improve them with the goal of creating every suitable circumstance for investors.

[Question] What about the absence of an effective role for the Moroccan private sector in establishing projects and promoting them in order to find people interested in taking part?

Dr Masmoudi: The Moroccan private sector plays an important role in economic development and in supporting the development programs the government sets out through its ability to innovate. The experience this sector has acquired in 30 years of independence has made it possible to create a dynamic generation of businessmen.

One can say that Morocco now has competent, modern businessmen and investors at hand and they have taken part seriously and effectively in developing various areas, including the sector of industry, where the private sector contributed 1,033 projects whose costs came to about 2.4 billion dirhams in 1984.

[Question] What is your view concerning restrictions on remittances and the absence of an effective financial market?

Dr Masmoudi: Talk about the development of Arab financial markets in general is not new. In addition, Morocco has worked gradually to integrate its domestic financial market by developing savings awareness and an investment climate through freedom of movement of capital. However, the absorption of Arab surpluses and financial savings all in all takes place in international financial markets, and this leads to undesirable trilateral operations. However, the Arab economic environment is now prepared to seek practical formulas and means for increasing the link among their national financial markets and guarantee cash remittances among themselves, especially with regard to invested capital or revenues from these investments.

[Question] What is your view on what is said about the lack of seriousness of Arab investors who view the investment process as an immediate deal for realizing maximum profit with the maximum speed, or their effort to obtain nonexistent incentives from Arab countries which they do not ask for in industrial countries?

Dr Masmoudi: Every investor of course should strive to limit risk and realize the greatest possible profit. We are certain that the expertise Arab investors have acquired will enable them without a doubt to change their views regarding investment in industrial areas. In addition, it is worth pointing out that the opportunities for investment available and the incentive measures which have been adopted in Morocco guarantee that investors are given the necessary confidence and anticipated faith. As regards the encouragements which some Arab investors demand, Morocco welcomes the discussion of all applications which go beyond the benefits the law gives. In this respect, Morocco has continued to defend and still is defending the notion of creating an Arab common market in which commodities and investments will be exchanged at the least cost, without barriers and obstacles.

[Question] There has been a sort of emphasis in Morocco on increasing exports in general and agricultural exports specifically. What is your evaluation of this emphasis? Are you inclined to give a greater role to the private sector, as might be understood from the decree on nonrestriction of exports to the marketing and export board?

Dr Masmoudi: In fact, his majesty's government has given special importance to increasing exports with the goal of rectifying the deficit in our balance of trade. In recent years this has experienced a great deficit which can be attributed to international economic circumstances such as financial and monetary fluctuations, protective policies applied by the manufacturing countries and the rise in the rates of the dollar.

In spite of that, Moroccan exports in the first 8 months of this year registered a positive growth of 9.7 percent compared with the previous level. Thus, manufactured consumer goods registered an increase of 27 percent, readymade clothes 30 percent, spare parts 100 percent, agricultural canned goods 83 percent, canned fish 40 percent and fruit and vegetables 27 percent.

In general, our exports, aside from phosphate and phosphate derivatives, have risen by 14.8 percent. It is worth pointing out here that the structural composition of our exports is now concentrated on raw materials, which make up 30.8 percent of total exports, while the share of manufactured goods has risen to 19 percent, in place of 16 percent in 1984.

Thus the positive resuylts we have achieved in the export sector have been a result of the adoption of important administrative and incentive measures, among which we might mention:

The grant of necessary incentives to the exporting sectors, be they in terms of tax collection or financial, in order to attract the necessary investments to these sectors, whether they are local or foreign.

The simplification of administrative measures and the statutes bearing on exports.

Close attention to the ongoing evaluation of various incentive measures directed toward export activities, in the desire that they be commensurate and develop when needed to keep abreast of the conditions of international markets and preserve our competitive abilities.

In this context, once the necessary studies for this are completed, a draft of a new law to encourage exports will come into existence which will take the place of the law that is in effect now.

As regards the private sector, one can say that it is active and endowed with great vitality in economic and commercial development. It contributes a large share to the application of the country's development programs and plans. The government gives complete necessary attention to this sector so that it can play its role effectively in carrying out economic development programs as well as in raising the level of the volume of our exports abroad, whether they be industrial or agricultural.

Development of Arab Trade!

[Question] How do you view the issue of trade with the Arab countries?

Dr Masmoudi: In general, one can say that trade relations with the Arab countries are still below the desired level, in spite of the many resolutions or agreements, be they bilateral or multilateral, in the context of the Arab League. In addition, the absence of integration or an economic merger among Arab countries so far has not helped the development of these relations, although important qualifications are present for raising the level of economic relations among the countries of the Arab world.

The mediocre state of commercial relations among Arab countries in our view can be summarized, by way of example, but not exclusively, in the following points:

The problem of transportation and communications in all forms.

The similarity of industrial and agricultural output (among certain countries).

The mediocre quality of certain essential food products which are imported.

Severe competition in some Arab markets on the part of economically advanced foreign countries.

The lack of coordination among commercial and customs policies and statutes as stipulated in the agreement to facilitate trade signed by the Arab countries in Tunisia in 1981.

The failure to give priority to Arab production which is also stipulated in the comprehensive commercial agreement or in bilateral agreements.

The lack of a strong strategy and joint development plans among Arab countries or a group of countries.

The lack of industrial coordination and integration.

The weakness of contributions and financing organizations in establishing and developing joint Arab projects, and so forth.

As regards commercial relations between Morocco and the Arab countries, the volume of this trade has roughly tripled in the last 5 years, rising from 3,520,500,000 dirhams in 1980 to 9,097,200,000 dirhams in 1984.

Imports accounted for 88 percent of the value of this trade in the past 5 years, while exports have not been more than 12 percent.

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MOROCCO

PAPER REPORTS ON UPSURGE IN WORKERS' PROTESTS

Rabat AL-BAYANE in French 16-17 Feb 86 p 1, 3

[First paragraph is introductory material]

[Text] Mobammadia, the working-class city, following the example of the rest of the country's industrial regions, is experiencing a pronounced protest upsurge. Faced with the prolonged economic and social crisis that is cutting down purchasing power internally, and in the face of employers' high-handedness that especially challenges trade union freedoms, workers are fighting and resisting. We present below three important examples: the business firm STRAFOR (metallurgy), the Tammarika company (animal and vegetable cannery) and the Madison factory (household electrical appliances).

STRAFOR: The Total Success of the Workers' Strike

The workers in the plant in Mohammedia specializing in metallurgy, STRAFOR, observed a 48-hour strike last week.

Thanks to their unified ranks and their exemplary combativeness, the salaried employees in that plant, who are affiliated with their UMT trade union group, won their case. In fact, one of their comrades who was arbitrarily dismissed was reinstated. On top of that, management ended up respecting the workers' rights and knowledge, and were completely responsive to their legitimate material demands.

Tammarika: An Anti-Union Employer

The boss of this cannery is increasing his maneuvers to rid himself of those workers who, according to him, are punishable because they are UMT militants. In the daytime Mr. Zarktouni closes the cannery's doors in the faces of its women workers, telling them there is no more work, while he has hired new recruits whom he makes work at night.

According to persistent rumors, the boss has ordered his new recruits to draw from the supply of various canned foods so they can be resold on the national market by using post-dating!

It is imperative that the local authorities in Mohammadia work to get the workers' rights and knowledge respected. Similarly, an inquiry is turning out to be necessary to control the canned goods and their expiration date.

Madison: Management is Against Forming a Trade Union Bureau

At the Madison firm, management has apparently still not decided to respect the rights and knowledge of the workers. To that end, and despite promises it made to representatives of the local authorities, management persists in refusing to allow workers the right to affiliate with a trade union. In addition, it has yet to give its support to the forming of the union bureau merely because its members are affiliated with the UMT union. But the Madison workers intend to see to it that this indefeasible right is absolutely respected.

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MOROCCO

BRIEFS

FIGHTING GRAFT IN CASABLANCA--The law is not just concerned with deterring petty infringements against persons and property and other traditional crimes which, no matter how grave they might be, just express an isolated gravity or social ailments whose source is social oppression; rather, its concern must also include those other serious crimes of exploitation, speculation in markets and neglect of the interests of broad groups of citizens. In Casablanca, the great city on which Morocco's economy is concentrated, crimes which have become obvious to the eye are engaged in in various diverse forms. These take the form of crimes of bribery, embezzlement, smuggling and speculation. These crimes have found a suitable field for themselves in the environment of Casablanca, a special view must be taken toward them, and they require particular measures as well, because deterring these crimes has become an indispensable necessity in order to protect public rights and round out the elements of success in every economic or social development plan. We know that no matter how carefully we examine the choice of employees in the public sector or supervisors protecting the interests of the people outside this sector, we must take into account the power of corruption, the power of enticement, the weakness of faith and the paucity of training, especially if the situation is related to facilities operating in a city like Casablanca which has the elements of temptation that prompt aberrant conduct. Just as the law must hold people to account for embezzle ment, speculation and bribery, so must it hold them to account for every positive or negative, deliberate or negligent action, on grounds that punishment and penalties should be intensified the higher the grade of the official is and the greater his salary and responsibilities are. In this manner alone will it be possible for us to protect the society and surround it with an iron wall of deterrent penalties. How greatly in need of this sort of wall is the society of Casablanca! [Text] [Rabat AL-'ALAM in Arabic 5 Mar 86 p 5]

CSO: 4504/230

LOAN AGREEMENT ON RURAL DEVELOPMENT SIGNED WITH SAUDIS

Tunis LE TEMPS in French 27 Feb 86 p 2

[Text] As part of a ceremony which took place on Tuesday afternoon at the Planning Ministry, Ismail Khelil, the planning minister, and Sheik Mohamed Abdallah Souqair, vice president and member of the Saudi Development Fund, signed a loan agreement with a value of 100 million Saudi ryals, about 20 million Tunisian dinars, for participation in the financing of projects included in the Integrated Rural Development Program. Abbes Fayek Ghazzaoui, Saudi Arabia's ambassador in Tunis, attended the ceremony.

The FSD loan will be used for financing operations in connection with the drilling of wells, improvement of secondary roads, installation of infrastructure in the fishing sector and construction of a number of clinics, treatment centers and cultural and social centers.

The loan, with a 3-percent rate of interest, has a payment period spread over 20 years. The grace period is 5 years.

It is noteworthy, in this connection, that the loans agreed to on that day in Tunisia within the framework of the PDRI, by the Arab and Islamic development funds (Arab Fund for Economic and Social Development, Islamic Development Bank and the Saudi Development Fund) amount to the equivalent of 65.5 million Tunisian dinars.

The various financing projects involve all of the economic, agricultural and cultural activity sectors under the PDRI.

On this occasion Ismail Khelil paid homage to Saudi Arabia and its leader, King Fahd Ibn Abdelaziz, for the continuing support his country has given to Tunisia in its development efforts. He emphasized the special interest that President Habib Bourguiba brings to the PDRI, which is an avant-garde program benefiting the inhabitants of rural areas that have not been adequately affected by the national development effort.

Ismail Khelil stated that with the signing of this agreement the number of loans concluded between Tunisia and the Saudi Development Fund rises to 13 with a total value of about 210 million Tunisian dinars; this, he noted, illustrates the depth of the fraternal bonds that exist between Tunisia and Saudi Arabia, as well as the confidence placed in Tunisia by officials of the Saudi Development Fund.

The planning minister also mentioned that the Integrated Rural Development Program, which will encompass 215 areas and benefit nearly 142,000 families, or one quarter of the inhabitants of the rural zones, has as its principal objective bringing about a rise in the income of these rural dwellers and improving their living conditions; this is to be accomplished by developing and exploiting the available natural resources to create and develop income resources and furnish the basic equipment and social services that are needed in the areas where the program is to intervene.

Sheik Mohamed Abdallah Souqair, for his part, told of the admiration felt by Saudi Arabia, its government and its people and their leader, King Fahd Ibn Abdelaziz, for the great steps Tunisia has taken toward development under the leadership of President Habib Bourguiba, as well as for the efforts agreed to by government leaders in favor of the prosperity and progress of the Tunisian people. Sheik Souqair also expressed his satisfaction as well as that of his colleagues in the Saudi Development Fund at the positive way in which Tunisia has dealt with the fund at all levels pertaining to the application of former agreements, which, he added, made it possible to establish cooperation and joint action on solid foundations.

For his part, Abbas Fayek Ghazzaoui brought out the ties of affection and fraternity that bind the two countries, saying he was pleased with the signing of this agreement, which, he noted, was the crowning achievement of the period during which he worked in Tunisia.

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SOCCER MATCH VIOLENCE, ARRESTS REPORTED

Tunis LE TEMPS in French 25 Feb 86 p 1, 2

[Text] When sports degenerate and become an excuse for anarchic outbursts, one can only ask oneself grave questions about sporting values and about the education and training of athletes and the supporters of athletic teams.

What happened Sunday afternoon on the road between Sfax and Tunis is unworthy of sports and does no honor to those who perpetrated barbarous and unspeakable acts.

No one knows why supporters of a Tunisian team visiting Sfax came to such a use of blind force, throwing stones at anyone they met on the road and leaving themselves liable to all kinds of exactions.

However, all went well at the stadium and the team's supporters (from the African Club) were able to return peacefully to the capital, with their team's qualification for the Tunisian Cup quarter-finals in their pocket.

What did happen upon leaving Sfax and all along the road comes under the heading of pure criminal actions.

The supporters, who were transported aboard an armada of 40 cars, damaged, on their way, 10 vehicles belonging to citizens who had made the mistake of taking the same road as these "made-in-Tunisia hooligans". The rocks that were thrown caused injuries to five law enforcement officers. The butchers on the Sfax-Tunis road will long remember the hordes leaping from the buses, some snatching a leg, some a whole carcass of lamb and going away without paying.

Their flight was stopped, however: forces of police and the national guard directed by Security Minister Zine El Abidine Ben Ali, accompanies by the commander of the national guard and several highly-placed security officials, installed a barrier at the entrance to the Hammam-Lif highway. Identity verification was carried out on the spot and arrests were made in the bus, where the police found rocks and projectiles of all kinds.

Three hundred and sixty youths, who were accountable to the national army, were arrested immediately and put at the disposal of the national army's recruitment service to fulfill their military service.

The moral of the story is that these supporters had been poorly trained and acted without judgment, harming their club and sports in general.

Hence the need to discuss the question of training supporters and the responsibility of the leaders of athletic teams. Such actions must not be tolerated, because sports are first of all and above all a matter of a code of ethics and self control.

It is fortunate that the police were able to get the situation in hand and put an end to the anarchic outbursts of this unleashed horde.

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BRIEFS

NEW IMPORTATION MEASURES--To further facilitate the supplying of raw materials, semi-finished products and replacement parts required for production, the following measures have been enacted: 1) provide for all manufacturers who exported in 1985 and/or are engaged in an exportation program for 1986, an annual importation authorization equal to 100 percent of their needs; 2) manufacturing firms having a high integration rate, especially those belonging to the textile, leather, shoes and engineering sectors, will receive an advance equal to 70 percent of the permits obtained in 1985. This measure also covers all businesses that manufacture products of primary necessity or supply other industries; 3) all other businesses, notably those having a low integration rate, will receive an advance of 50 percent of the permits obtained in 1985. It is understood that the 25-percent advance previously granted at the beginning of the year is included in the percentages mentioned above. [Text] [Tunis LE TEMPS in French 27 Feb 86 p 2] 8946

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DETAILS OF ISRAELI-KURDISH TIES IN RECENT YEARS

London AL-DUSTUR in Arabic 20 Jan 86 pp 12-13

[Article by Dr 'Ali Nurizadeh: "Isriss and Mas'ud Follow In Footsteps of al-Mulla Mustafa; 'Cultural Week' for the al-Barazanis in Israel"]

[Text] Idriss and Mas'ud are two of al-Mulla Mustafa al-Barazani's sons who took refuge in Iran with their father and some family members following the signing of the Algiers Agreement in 1975 between the Iraqi president and the shah when the shah pledged to cease supporting the Iraqi Kurds who opposed the Iraqi government.

The Iranians built a housing complex for al-Barazani followers in the city of Karj near Tehran. Moreover, the shah gave them a vast tract of agricultural land near the Karj River for cultivation.

Right after the death of al-Mulla Mustafa al-Barazani in an American hospital, his two sons, Idriss and Mas'ud, gave up the agricultural business to raise cattle. Shortly thereafter, Mas'ud flew to Israel where he met his father's close friend, General Sharon, and asked for his help in their new business. Sharon responded to his request by agreeing to send 300 head of Israeli cattle for only two-thirds of their total price.

Israeli Cattle

At the end of 1978, the Israeli cattle arrived in Tehran. However, due to demonstrations and disturbances in the country at the time, the al-Barazani sons were unable to benefit from Sharon's generosity and the cattle were exhausted, one after the other.

When the shah left the country on what was to be his last trip, the al-Barazani sons were the first to renounce him. Idriss and Mas'ud went to Ayatollah Khomeyni on the second day of his return to Tehran to kiss his hand and declare their readiness to sacrifice all their family for the sake of the revolution.

Based on this precedent, it was not surprising to see Idriss, Mas'ud, and their followers join the Revolutionary Guard ranks in their attacks on the Iranian Kurds who had rallied under the leadership of the Iranian Kurdish Democratic Party commanded by Dr 'Abd-al-Rahman Qasimlu.

Cooperation between Mas'ud, Idriss, and their followers, on one side, and the Khomeyni regime, on the other side, against the Iranian Kurds reached a point which led the Kurds to call them "Jash," a Kurdish expression meaning "mercenary."

Following the outbreak of the Iran-Iraq war, the al-Barazani group joined the Revolutionary Guard ranks and the regime assigned them several missions such as planting explosives in Iraqi cities and villages and undertaking espionage operations.

Economic Crisis

In exchange for their services, Mas'ud, Idriss, and their followers received from the Iranian regime all the money and arms they wanted up until 1983. In that year, however, the economic crisis in Iran began to take its toll when the system of disbursing Iranian financial savings amassed by the shah and the regime was no longer able to maintain adequate support of the al-Barazani sons.

This shortage led to Mas'ud's visit to Damascus and Libya, where Hafiz al-Asad and al-Qadhdhafi pledged military and financial aid. During this tour, Mas'ud did not forget his friends in Tel-Aviv. In December 1983, he visited Israel as the house guest of "Meier Azri," chief of the Iranian-Israeli relations office during the time of the shah.

During that visit, Mas'ud met with a number of Israeli intelligence (Mosad) officials, and upon his return to Iran, Israeli aid to al-Barazanis began arriving in Iran.

Due to this aid which arrived from Damascus and Tripoli, the al-Barazanis stepped up their activities on two fronts: the home front, where they waged a fierce assault against the Iranian Kurds in which they committed horrible atrocities against Kurdish civilians in Kurdish cities and villages inside Iran, and the foreign front, along the borders with Iran.

Iranian Intelligence Reports

The al-Barazani Kurds played a significant role in providing Iranian intelligence with reports on Iraqi army movements in northern Iraq. However, they opened a new front against Iraq in an attempt to open a gap for the Iranian forces.

Last September, when an American aircraft, which took off from the city of Tibriz, landed at Ben Gurion Airport in Israel, it became clear that it was transporting Israeli arms to the al-Barazani sons.

Perhaps it was this incident that led to the exposure of the close cooperation between al-Barazani sons and Tel-Aviv. This cooperation which, as General Eytan explained in his memoirs, began in the sixties, is still going on.

The last report about al-Barazani-Israeli relations was about a Kurdish cultural week in Israel at the end of last October which was opened by Idriss al-Barazani himself.

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IRAQI WAR CORRESPONDENTS RECOUNT EXPERIENCES

London AL-DUSTUR in Arabic 20 Jan 86 pp 48-50

[Article by Walid al-Zubaydi: "On the Battlefront We Went Through Life and Journalistic Experiences"]

[Text] They are the "fighters' friends"! This is not surprising for they have friends in "al-Shalamijah" district and al-Faw as well as in "Banjawayn," "Sayf Sa'd," "al-Fakhah," "al-Tayyib," and "al-Ahwar" and at all the battlefronts extending from the far Iraqi north to the farthest point in the south.

There is nothing strange about this. Iraqi war correspondents have been moving on the battlefronts since the war erupted in 1980. They accompany units and formations in their attacks and fierce battles. They are with the soldiers and officers at all battle positions. The stories they have experienced are those of many of the fighters. In this rich experience, they have experienced life and a new side of journalism.

We met with Hamid 'Abdallah, who said:

"I have been a war correspondent since the first day of the battle. I have taken part in covering most battles, the major ones in particular. I went into the city of al-Huwayzah a few days after its invasion by the Iraqi army. I visited positions a few minutes after Iraqi forces took control of them, be they on the hills or in the southern district. I have published hundreds of press reports and feature articles in AL-QADISIYAH and AL-YARMUK newspapers as well as other local newspapers and magazines. I have interviewed corps and division commanders and brigade and regimental commanding officers."

Colleague Hamid 'Abdallah recalled that "on 30 April 1981, while on assignment with my colleague 'Abd-al-Karim al-Ta'i and photographer Muwafaq 'Awad to a formation commanded by Staff Brigadier General 'Abd-al-Hadi Salih, and after the formation had occupied its new positions, we arrived while the fighters were digging their foxholes. When we inquired about the commanding officers, we found him, shovel in hand, digging his own foxhole. This was in the 'Ballut' area in Sarbil Zihab. The formation came under heavy enemy fire. I was digging with the brigade commanding officer in a 'very small' foxhole when a mortar round fell next to it, causing its collapse. I was buried in the rubble and when I regained consciousness I found myself in a pool of blood. My right thumb had been severed and was lying on the ground in front of me. I was wounded in the soulder and leg. Following my evacuation to a field medical unit where my finger was reattached, I learned that my colleagues, Captain Ahmad and photographer Karim, had lost their lives. A member of the Motion Picture and Theatre Institute lost his life as well.

"I lived through the first Huwayzah Lake battle in 1984, from the time the Iranians infiltrated the lake's close fringes up to the liberation of al-Baydah village. I took part in the first assault undertaken by the special forces brigades, in addition to the infantry and armored forces. We later entered houses in al-Bayday and saw enemy bodies floating on the surface of the water, side by side with cattle, dogs, and fish."

About his experience on the battlefront and the influence it has had on his life and business experience, colleague Hamid 'Abdallah said:

"I think that the battle experience has rebuilt me culturally and journalistically, for I feel that I have truly been reborn."

Qasr Shirin

With joy, love, and elation Husayn 'Umran talked about his experience as a war correspondent at the battlefront:

"I began my work as a war correspondent with the 28 September 1984 invasion of Qasr Shirin by the Iraqi forces. I reported the invasion for AL-THAWRAH newspaper. Thereafter, I took part in covering several battles, including Sarbil Zihad in April 1981. Our forces were atop the Kawjar Plateau which we had to climb by foot since there was no open road to the top at the time. It took us 5 hours under Iranian artillery fire to reach our troops that were stationed there.

"There are many exciting details about several battles in which I took part as a war correspondent, including the Mandali battles of October 1982, the Sayf Sa'd battles of 1983, the Zirbatyah battles, and the surrounding of the city of Mahran in 1983. In the southern sector. I covered al-Tayyib-al-Fakah battles, al-Khafajiyah al-'Ula battles in September 1981, and al-Mahmarah battles. In the northern sector, it was the 1985 battles of Kushaytah, Ra's al-'Abd, and Sidkan. When our troops were fighting Iranian troops atop Ra's al-'Abd (altitude: 2,358 meters), I had to take an Iraqi helicopter to get to the Iraqi troops. When I got close to them, I had to leave the helicopter and climb the mountain under fire in order to talk to the troops and photograph Iranian bodies littering the Kushaytah and Ra's al-'Abd peaks."

I asked colleague Husayn 'Umran what he gained from this experience and he said:

"My experience as a war correspondent has considerably enhanced my overall experience as a journalist. It taught me patience. I had to wait long hours under enemy fire to obtain a press statement from a field commander during or right after the shelling. A war correspondent must have the ability to persevere. News coverage of a battle requires the correspondent to accompany Iraqi troops on their advance on Iranian positions or to climb a mountain or descend a valley to meet fighters entrenched in their forward positions or advanced posts.'

New Experience

As for colleague Shakir 'Abbas, he was fascinated by his colleagues' experiences as war correspondents and decided to be one. He submitted a request to President Saddam Husayn and met with the president to express his wish to work as a war correspondent. His wish was granted.

About his experiences in the field, he said: "My first assignment at the front was the operations sector of the IV Army Corps to report on the heroism of our brave troops who played an outstanding heroic role in the east Maysan battles. I met with field commanders and fighters, both officers and privates, in forward companies and bunkers to listen to their stories and tales. I felt very happy among them.

"Assignments of which I am very proud followed one after the other, and, owing to the many duties and situations I experienced as a war correspondent, I say that the experience of a war correspondent is important and new to Iraqi journalism in general and military journalism in particular. I have experienced it and sensed its importance for it has made me a new and richer person who has gained much from the fighters in the field before and after the battles. This successful experience has compelled me to strive higher and higher and to benefit from my experiences. Press coverage at the battlefront during the height of battle is very special because the war correspondent reports, with truth and sincerity and through words and photos, new information which is turned into a document of historical significance.

"I am particularly proud of my contribution to the Qadisiyah Saddam battle as a fighter carrying my machinegun with the fighters before I carried my pen and camera.

"I have covered many battles, including Banjawayn, east Maysan, and Taj."

My experience Prior to Iraqi Retaliation

I asked colleague Ra'd Khalaf al-Yusuf about his experience as a war correspondent and he said:

"My experience as a war correspondent goes back to before the Iranian aggression on 4 September 1980 and the Iraqi retaliation on 22 September 1980, when I was assigned to conduct field media follow-ups on Iraqi border posts that were damaged by hostile Iranian fire.

"I was able to send live photos of those aggressions and pursued my mission until the agression reached its peak and war was declared. Thus, I was among the first journalists to accompany Iraqi units during the liberation of Zayn al-Qaws Plateau and the assault on Qasr Shirin. I wrote the first field report to be published in the Iraqi press under my byline.

"Thereafter, our coverage took us to the Basrah sector, where we covered al-Muhammarah assault from the time it was launched until the area came under Iraqi control. I recall that when the situation settled down, we began moving between the units in various sectors and when the battle flared up in al-Khafajiyah al-'Ula, we raced to get to the battleground. We were able to report the fighting, in particular the role of the 10th Armored Brigade, which earned the name 'lightening' due to its speed and ability to surprise and greatly affect enemy troops.

"Thereafter, our duties took on the form of periodic follow-ups of our units' activities and efficacies in all positions up until the decision to pull back to international borders was announced. When the East Basrah battle broke out, I was with other media and press representatives covering the fighting and my reports were published in AL-QADISIYAH newspaper.

"Among the battles which I am proud to have covered because of the exclusive reports I was able to file was the second Ahwar battle, the battle of all battles, in which AL-QADISIYAH newspaper gathered the lion's share of news and interviews with field commanders, and I can say this:

"If regular journalism affords us a special experience, there is no doubt that the front has enriched this experience substantially. It has opened to us new horizons for expressing capacities in choosing words and phrases that draw a close picture of the facts and reality of the fighting and of resistance of all hostile attempts.

"Due to over 5 consecutive years of reporting from the front, we have acquired a wealth of experience in the field of journalism and we will spare no effort in employing it in the service of truth and a new Iraqi triumph. Moreover, the battle, through a large number of interviews with the men for first-hand knowledge of their positions at critical moments, has given us a keener understanding of human nature and the human state that compels man to exceed all bounds in an effort to be creative and innovative for the sake of attaining his goals and objectives."

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IRAQ

OIL MINISTER DISCUSSES PRICE CRISIS, FAIR MARKET SHARING

Baghdad AL-JUMHURIYAH in Arabic 3 Feb 86 p 3

[Interview with Qasim Ahmad al-'Uraybi, minister of oil, by As'ad al-'Aquli: "In Interview with Minister of Oil: International Oil Conditions Require Similar Sacrifices on Part of All Producers"]

[Text] The world oil markets are currently experiencing a real crisis, as acknowledged by all the parties concerned. The responsibility for the crisis falls mainly on the shoulders of those who schemed feverishly to inflict the heaviest damage on the OPEC countries and who exerted their utmost efforts to put these countries in a difficult corner. What has been the outcome of the ongoing developments? OPEC's production share has continued to face increasing pressures and OPEC members utilize 50-60 percent of their production capacity whereas the other producers outside OPEC utilize their full capacities. The North Sea producers are even utilizing their utmost capacity. Thus, the prices have tended to decline, creating an unprecedented crisis. Here, the opinions differ on how long this crisis will persist, on whether it is a transient and temporary crisis or a lasting crisis. To what extent does the crisis correspond to OPEC's expectations and what are the horizons of future development?

We carried these questions to present them in a focused interview with Qasim Ahmad al-'Uraybi, the minister of oil, who dealt in this interview with the world oil market conditions, with the production and price issues, and with OPEC's relative movement to confront the new circumstances and developments, to point out the means to deal with them in a manner compatible with the interests of the others, and to restore stability to our planet's energy conditions.

Rapid Developments

[Question] We launched the interview with a major question: What is happening in the world oil market and, what are the factors behind the rapid ongoing developments?

[Answer] I believe that the current decline in prices is the result or outcome of a number of factors that can be divided into two types:

First, pressures from outside OPEC, particularly from the circles and countries that are opposed to OPEC and seek to paralyze OPEC's ability to control the world oil market.

The second type emanates from OPEC itself, meaning that OPEC is responsible for the emergence and intensification of these factors.

Within the framework of the first type of factors, it is evident that the failure of producers, mainly from outside OPEC, to cooperate with OPEC in the past, and even at present, has caused the sacrifices to be shouldered by OPEC solely whenever the situation necessitates some sacrifices while the others take maximum advantage, without making any sacrifices. When supply exceeds demand, for example, OPEC is compelled to lower its production ceiling in order to preserve the established price structure while we find the non-OPEC producers trying to produce at full, even maximum, capacity and to exploit any reduction OPEC makes in its production, keeping in mind that the OPEC production ceiling utilizes no more than 50-60 percent of the production capacity available to its member states. Moreover, because the non-OPEC producers have a free hand, they can always sell their oil at more competitive prices when compared with the prices set by OPEC. This leads to constant pressure on the official OPEC price structure.

As for OPEC itself, its disunity, its failure to tackle the issues seriously, and its failure to devote the necessary attention to dealing with the basic problems in a fundamental manner have constituted one of the most significant factors in weakening OPEC from within and, consequently, in weakening its ability to influence the course of events. This is why the latest OPEC ministerial conference decided that it has become difficult for OPEC to continue to lower its production ceiling again and again in order to maintain the prices at a time when non-OPEC producers exploit this reduction, in addition to exploiting the instability of prices--an instability whose cost OPEC always pays.

The ministerial conference also decided to urge non-OPEC producers more strongly than before to cooperate with OPEC in order to protect the interests of all concerned and to insure the stability of the oil market, stressing the need for OPEC to get a fair share of the world oil markets. When a drop in demand develops, all OPEC and non-OPEC producers must absorb the surplus.

As for OPEC itself, there is no doubt that one of the most significant problems faced by the organization is the failure of the member states to adhere to the production shares and to OPEC's price structure. In this respect, we believe that the reasons behind the failure of some member states to adhere is embodied in their lack of belief in the price structure, in the production shares, and in the method of share allocation. We have urged at more than one conference reallocating the production shares in accordance with a scientific and objective equation so that each member state may get its share of the production ceiling, with this share changing according to and by the same percentage of change in the production ceiling. It is well known that when the current shares were determined, the determination was made offhandedly and without relying on any fair scientific indicators.

Moreover, the current price structure does not allow all OPEC members to rely on a balanced competition base because some of the producers sell their oil production in the form of oil derivatives which are not basically subject to official pricing. Consequently, these members can sell these derivatives at the market prices, regardless of how low, and sell the rest of their crude oil production at the official prices, thus compensating with one thing for another.

Moreover, other member states produce types of oil that are basically not priced by OPEC, thus permitting these countries to determine freely the prices of their oils and make them compatible with the market prices. Furthermore, some members produce gas and concentrated derivatives, which are also not priced. Consequently, these countries can make up for their oil purchasers by selling them these derivatives at any price on which both sides agree. On the other hand, there are member states, such as Iraq, which produce nothing other than set-price crude oil. Consequently, they have no flexibility in the sale process and they cannot make up for the buyers of their oil by selling them oil byproducts at reduced prices or by selling them gas, concentrated byproducts, or other types of unpriced oil. This is why we find that the basis on which the price structure is founded is a basis that is not balanced for all. If we want to observe OPEC's resolutions on selling at the official prices, then the prices of all oil byproducts must be tied to the crude oil prices. Moreover, all types of oil produced by OPEC members must be priced because only then, when all will have a single competitive base, we will be able to compel all to adhere to the price structure and bring to account the members who fail to adhere.

These are the factors which, in their entirety, have crystallized the current conditions of the world oil market. We should add to them the pressures, maneuvers, and plots constantly hatched against OPEC to force a reduction in oil prices, especially through the measures taken by the various industrial countries and particularly through these countries' accumulation of a strategic store used as an ever-present instrument to put pressure on oil prices.

Fair Share and Price War

[Question] At their latest conference, the ministers discussed several alternatives and options concerning production and prices. Have your expectations been compatible with what is currently materializing, especially in connection with the statements and analyses asserting that OPEC has chosen the path of a price war against non-OPEC producers?

[Answer] In the debates at the latest conference, we did not wish to embark on a war of prices. We wish and hope that the non-OPEC producers will be convinced that OPEC's demand for a fair share of the market is an objective demand. They must discuss the means to achieve this demand with OPEC in order to avoid a price war. It is also no secret that implementation of the OPEC resolution, in case the non-OPEC producers fail to respond, can only be achieved with a price war which will, naturally, be damaging to all producers. We have hoped and continue to hope that the situation will not lead to a price war and that the non-OPEC producers will respond so that the issue may be studied jointly and the market may be shared fairly.

Now that the prices have dropped to the current level, there are positive signs from a number of oil-producing countries indicating their readiness to reduce production and to participate in a specific role with OPEC to tackle the situation. Meanwhile, a number of other countries are far from such a response.

All these issues will be studied in the five-member ministerial committee meeting which will be held in Vienna, the capital of Austria, early this month. The committee's resolutions will be presented to the special ministerial conference whose date will be set later.

Five-member Committee's Tasks

[Question] In the resolution forming the five-member committee, the latest ministerial conference defines this committee's tasks as those of examining the means capable of defining and protecting OPEC's fair share in the world oil market and of presenting a report containing the committee's conclusions to a special ministeral conference. What conclusion has the five-member ministerial committee reached so far?

[Answer] The five-member committee is entrusted with studying the means to implement the resolution of the latest ministerial conference to get a fair share of the oil market and to determine what this share is. The committee has not, of course, met yet. But experts from the OPEC member states have been meeting at OPEC headquarters since Wednesday, 29 January 1986, to prepare a report to be presented to the coming meeting of the five-member committee. This report will be the subject of the committee's discussions.

Production and Price Issues

[Question] What do you expect the OPEC share of the world oil market to be in order that it may be said that it is fair?

[Answer] The truth is that this share has not been determined yet. But what may be considered a fair share for OPEC members in this phase is expected to be limited to 18 million a day.

[Question] In light of the current oil glut, what is the volume of the oil surplus that must be absorbed in order to restore the balance between supply and demand?

[Answer] According to the reports we have received, OPEC's current production ranges from 17-18 million barrels a day. The non-OPEC producers are, of course, producing at their full capacity. If the non-OPEC producers play their role and undertake to reduce their production, we will be able to overcome the surplus available in the market and, consequently, will be able to insure stable prices.

[Question] So what can we note in connection with the sudden downward tendency of the oil prices? Does this reflect a transient and temporary phenomenon, or will the prices actually drop below the limits set within the framework of the OPEC price structure?

[Answer] It does not seem that the phenomenon is so transient and temporary that it can be said that the prices will again rise to be compatible with the levels set by OPEC. But on the other hand, this downward tendency of prices may be temporary because we will reach a state of balance and constancy far from the levels which the prices have reached, at which they currently stand, or which they may reach in the short period to come. Moreover, these prices will be relatively far from the official levels set by OPEC.

[Question] Concerning the special ministerial conference scheduled to be held, so far no date has been set for it. The five-member committee will determine this date. Meanwhile, it has been reported that the conference will be held in the middle of this month of February. Do you support a speedy holding of the conference or have the oil market developments been so insufficient as to make you support deliberation in calling for a convening of this conference?

[Answer] Under present circumstances, I believe that the special conference must be held as soon as possible. The middle of February, i.e., a few days after the five-member committee concludes its activities, is perhaps a suitable time for holding the special conference because the current conditions must not continue. Rather, the necessary steps and measures must be taken to deal with the situation.

[Question] Will the special ministerial conference focus on discussing current conditions and developments in the world oil market?

[Answer] Definitely, because the special conference is summoned to convene to discuss current developments by the degree of their connection with the task entrusted to the five-member ministerial committee, namely the task of pointing out the means to determine and defend OPEC's fair share in the world oil market.

Naturally, the oil market conditions and the acute developments accompanying these conditions constitute a major problem in comparison with which the other problems become subsidiary, even if only temporarily.

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TRADE MINISTER VIEWS 1986 IMPORT, EXPORT PLANS

Baghdad AL-THAWRAH in Arabic 4 Feb 86 p 12

[Interview with Hasan 'Ali, minister of trade: "Economic Stability and Prosperity Under Leadership of President Saddam Husayn"]

[Text] In view of the importance of the foreign trade plan to the entire national economy and to explain this plan's objectives and dimensions in 1986 and its role in bolstering economic capabilities in a manner that strengthens our decisive victories against the tyrannical clique in Iran, AL-THAWRAH interviewed Hasan 'Ali, member of the Revolution Command Council and minister of trade, so that he could tell us about the main features of the new foreign trade plan for 1986--a year characterized for our great people's struggle by the growing challenge in confronting the aggressors and in rising the economic and combat capabilities of our homeland, the homeland of the two Qadisiyahs and of Saddam Husayn, the extraordinary leader.

[Question] What are the bases adopted upon drafting the 1986 foreign trade--import--plan?

[Answer] In light of the instructions of the party's and revolution's central leadership, headed by struggler leader President Saddam Husayn, to secure local market needs and development and construction requirements, the plan was prepared according to certain bases that take into consideration the state of stability and prosperity in the supply of commodities. The most important of these bases are:

1. Priority of appropriation has been given to the importation of essential goods directly connected with the war effort, to the foodstuffs and essential consumer goods that directly affect the citizens' lives, and to the raw materials and semi-processed goods employed to utilize the production capacities of the industrial and agricultural production projects and service projects which play a major role in meeting local consumption needs and increasing out export capabilities. When determining priorities, consideration was given to securing the main consumer goods needed to meet family consumption requirements and to supplying the materials necessary for implementing the investment projects so that the building of the economy may continue in the state of stability experienced by the Iraqi market at present.

2. General import activity will be subjugated to the main task in the foreign trade sphere, namely the task of having imports complement national production in all the economic sectors (socialist, joint, and private sectors), not competing with this production. Supply criteria have been established to check local capabilities to produce various industrial and agricultural goods.

3. The importation of the reserve equipment and spare parts needed for repair and maintenance and for prolonging the life of machinery, equipment, and instruments will be insured.

4. The private sector's needs for raw materials and other production requirements will be met by giving priority to the essential, semi-essential, and luxury goods "according to their consumption importance."

5. To establish a balance between the quantity and quality of the commodity supply and demand and to prevent misappropriation in basic and semi-essential goods, the bases adopted included the principle of maintaining a proper supply of such goods for consumption and production purposes.

[Question] What controls will be adopted upon implementation of the imports plan?

[Answer] Within the context of our efforts which are devoted to implementing the new import plan and to achieving the best results possible, there are certain controls to which the authorities empowered to make the imports abide when implementing their import programs, taking into consideration the utilization of economic and trade agreements and the continuation of bilateral and multilateral cooperation relations with the various countries and putting the stress on importing alternative goods that meet the local consumption requirements and produce an economic yield. These authorities also take into consideration the ideal exploitation of foreign currencies and the obtaining of accurate data on the supply sources, prices in foreign markets, and fluctuations in the foreign currency exchange rates. This is in addition to enhancing the level of coordination in the external and internal shipping operations in order to handle the large volume of imports included in the 1986 trade plan.

[Question] What is your diagnosis of the most prominent features of the 1986 import plan compared to last year's plan, particularly in connection with the increases and the relative importance of the appropriations set by this plan?

[Answer] When comparing the 1986 import plan with the 1985 plan, one must note some fundamental changes which have dictated securing the commodity requirements of the economic projects in the various areas of economic activity. Practically speaking, this is reflected in the fact that the import appropriations for the agricultural and industrial production sector, including the socialist, joint, and private sectors, amount to 40 percent of the total import appropriations because the 1986 import plan takes into consideration the already-achieved and possible developments in all areas of our prosperous national economy.

The plan thus reflects the soundness of the party's and revolution's economic policy in developing the country's intrinsic production capabilities. A special importance has also been given to developing the education, higher education, scientific research, and health sectors. This is done in accordance with the leadership's decrees to increase the number of students enrolled in the various educational stages and to supply the scholastic requirements and laboratory equipment. The cooperative sector has also obtained a major increase amounting to 81 percent by virtue of this sector's importance and its contribution to production and consumption activity. This policy is in harmony with the instructions that call for spreading the cooperative movement to all parts of the country. In making the appropriations, consideration was given to securing the agricultural production requirements in adequate volume, including the machinery and equipment used in cultivation, and to supplying these requirements to the farmers. This is in addition to securing reserve equipment and spare parts for agricultural equipment and machinery.

As for the joint and private sectors, special attention has been given to their production activity by increasing the appropriations for joint industrial activities by 30 percent and for joint agricultural activities by 21 percent. Meanwhile, private industrial activities have gotten an increase of 27 percent and private agricultural activities an increase of 8 percent. This tendency is compatible with the increase that has developed in the production capacities, considering that national production is meeting an ever-increasing proportion of local needs.

In general, the prominent feature in the distribution of appropriations is the continuing leadership role of the socialist sector in the import activities and the tendency to apply the principle of specialization more and more extensively in foreign trade activity. Thus, 1986 will witness the application of the state policy of entrusting the task of importing agricultural products, including red and white meats and eggs, to the Public Grains and Foodstuffs Organization whereas these goods were previously imported by the agricultural sector. The Ministry of Trade's organizations and establishments will import typical and standard goods according to their functional and commodity specialization. This measure will contribute to enhancing the efficiency of the trade sector in general and to insuring that the needed goods are obtained in the required quality and quantity and on schedule.

[Question] There are a number of trade, economic and technical agreements concluded between Iraq on the one hand and the sisterly Arab countries and various countries of the world on the other hand. In what manner have these agreements been utilized to implement the objectives of the foreign trade plan?

[Answer] In implementing the party's and revolution's central policy, we have attached and continue to attach special importance to developing the economic, technical, and commercial cooperation with the sisterly Arab countries and various countries of the world so as to achieve greater accomplishments serving the joint interests on the basis of mutual benefits and to serve our national and pan-Arab objectives.

The channels of activity in the sphere of foreign economic relations have been bolstered and the positive tendencies of this activity have been strengthened by boosting and expanding the economic, technical, and trade cooperation committees that exist between our country and other countries in order to increase the volume of trade. Vast successes have been achieved in boosting the foreign trade exchange activity and in constantly opening broader horizons to diversify and develop bilateral cooperation relations. This has given us and continues to give us greater capabilities to implement the foreign trade import and export plan. In this respect, we must note the importance of the Baghdad International Fair and of Iraq's participation in foreign international fairs in strengthening the country's international relations and in developing and expanding the various spheres of cooperation.

[Question] What are the bases adopted in preparing the export plan according to the possibilities available for developing our non-oil exports?

[Answer] The 1986 export plan for goods produced locally has been prepared in light of principles focusing on the export of important commodities included in the exports list that is prepared annually so that we may utilize the production capabilities available for exports and may anticipate the marketing opportunities for Iraqi goods in the foreign markets, particularly the practical capabilities to exploit the opportunities made available by the economic and trade agreements concluded between Iraq and other countries.

The export agencies, including the Iraqi Public Exports Organization and its specialized agencies, work in cooperation with the various production sectors and exert maximum efforts to increase the volume and value of Iraqi exports and to subsidize these exports. They also exert ceaseless efforts to eliminate the obstacles facing the export activity and connected with the conditions of the war imposed on our country.

Within the framework of this tendency, we devote special attention to developing the patterns of coordination between the commercial and production sectors in order to maintain stability in the Iraqi goods designated for export and to develop their quality in light of the successes achieved last year in exporting fertilizers, sulfur, cement, and dates. Implementing the objectives and indicators of the 1986 export plan requires constant coordination between the production and marketing agencies, especially since the socialist sector produces more than 90 percent of the planned exports. The Iraqi Public Exports Organization also supervises the private export activity. We are seriously planning to encourage the export of agricultural products to the neighboring Arab countries, considering the good reputation that Iraqi products enjoy. The year 1986 will also witness a major increase in the country's exports of dates by virtue of this season's good crop. The volume scheduled to be exported this year amounts to twice last year's volume.

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ISRAEL

PAPER ANALYZES SYRIAN THREATS, INTENTIONS

Tel Aviv HA'ARETZ in Hebrew 14, 17, 18, 19 Mar 86

[Article by Ze'ev Shiff: "Do the Syrians Want War?"]

[14 Mar 86 p 13]

[Text] Syrian President Hafiz al-Asad, who does not normally give many speeches, recently delivered two militant speeches in which he sounded sharp threats toward Israel. He not only promised to liberate the Golan Heights, but also spoke of the possibility of occupying Israeli lands and destroying the country. In point of fact, al-Asad told the Syrian people that war against Israel is bound to come one of these days and that they must prepare for it.

This is not the first time that threats have been proffered against Israel and its people: in his time, President al-Sadat threatened war against Israel. The difference, however, is that President al-Sadat always combined his threats with logical suggestions for a political solution; al-Asad, on the other hand, does not mention peace. As far as he is concerned, political solutions would always have to be imposed on Israel.

Nevertheless, we must admit that from an objective viewpoint, al-Asad has a good reason to go to war: Israel has occupied a strip of Syrian land and even annexed it. However, al-Asad talks only of forcible solutions. For him a military solution is preferable, while political accord is only a stage toward the military solution. Moreover, the return of the Golan Heights is not al-Asad's main objective, rather it is the establishment of a Palestinian state. The Golan Heights is not a pressing issue for him. American references, including those of President Reagan's in his letter to al-Asad, that the Golan is included in the territories from which Israel's withdrawal should win a peace agreement, elicited no reaction from Syria. Damascus certainly took note of the fact that Washington is willing to take action on behalf of the return of the Golan heights, and may consequently serve as a mediator in the case of renewed fighting in that area.

Economic Crisis

And here is al-Asad threatening that a war for the Golan Heights will end with that area "at the center of Syria, not at its borders." What has suddenly occurred? Two events preceded the first speech at the opening of the Syrian National Assembly: the rebellion in Egypt, and the anti-Iranian demonstrations during his visit to the Golan. Both events were mentioned in the speech, especially the one in Egypt. The Israeli media did not report, for example, that the first speech included lengthy references to the economic crisis in Syria. That came at the beginning of the speech, and al-Asad emphasized that Syria's primary objective is to "continue the actions to build a strong economic base." It emerges that the economic crisis, which has been continuing for some 4 years, is very serious and is threatening the Syrian regime and society.

The shortage of foreign currency is so great that Syria can hardly finance up to 15 days of imports. The real drop in the gross national product has been continuing since 1983 at a worrying rate. Revenues from oil and oil products are dropping, as are remittances from Syrians employed abroad. Income from Arab countries have also been seriously reduced--from $1.6 billion in 1981 to $700 million in 1985. Those troubles were also exacerbated by the serious drought of the past 2 years. On the other hand, the military budget has been rapidly increasing in past years. In 1982 it made up 11.5 percent of the national budget, while in 1984 it was 15.5 percent of it. Foreign debts are also rapidly increasing: to the Soviet Union alone Syria owes some $2 billion, plus another $11 billion for arms purchases. The crisis is reflected, among other things, in a shortage of raw materials and spare parts. What this means for the individual citizen is shortage of basic foodstuffs, including bread and oil, a black market, long lines, and smuggling.

Al-Asad and his 'Alawi group are required to explain this difficult situation to the people. One of the ways of doing it is to channel mass pressures outward by exaggerating the threats against Syria and adopting extreme foreign policy positions. The best excuse for the economic crisis is the need to stand up to Israel, and consequently the need to mobilize huge resources for security. That also helps to mobilize the people behind the regime. Some people claim that the economic crisis will prevent al-Asad from becoming embroiled in military adventures, but there is no guarantee that this view will hold. Egypt, too, was in an economic crisis when it went to war in 1973. The crisis will certainly delay Syria from achieving what it calls a "strategic balance" with Israel, but it does not necessarily preclude military action. The crisis may push al-Asad into a military adventure designed to divert the nation's attention from his troubles at home, provided he is certain that the price of the adventure will not be too high.

Provocation Through Third Parties

Before we answer the question whether the Syrian army can take the IDF by surprise and mount a military campaign that would bring it gains, we should point out various events which show that Syria intends to bring military pressure to bear on Israel. Actually, the Syrians can claim that the pressures come from Israel, and that they were only reacting to steps initiated by us. It was Israel that downed Syrian planes on Syrian territory; it was Israel that intercepted an aircraft carrying senior Syrian officials, including the secretary of the Ba'th Party.

The situation in the field looks different in Israel's eyes. Syria has deployed anti-aircraft missiles at the Lebanese border threatening Israel's reconnaissance flights, which are viewed as a strategic-defense necessity. According to foreign press, those missiles are restricting to Israel. Syria finances and assists many of the terrorist actions in the north. Those actions are not directed only against the security zone on Lebanese territory. The group that was destroyed (belonging to the Democratic Front) had been trained in Syria and its purpose had been to penetrate into Israel and carry out killings and kidnappings. Al-Asad himself admitted that Syria mobilizes and encourages suicide missions against IDF forces.

In other words, the Syrians organize provocations against Israel's current security. Some of those actions are carried out by third parties, but even so the Syrians seem to want to tell us that they have great self-confidence and are not afraid of expanding the scope of incidents with the IDF.

[17 Mar p 7]

[Text] Al-Asad will not take the great risk of ordering his army to attack Israel without being certain that Syria can carry off such a war, secure gains, and hold on to them during the second stage and until the end of the war. Another important condition for success in the war concerns Syria's ability to take Israel by surprise. The surprise element is no less important than the strength of the attacking force. It is clear that the Syrians will make extraordinary efforts to mislead Israeli intelligence, to dull its alertness, and to diminish to a minimum its capability to penetrate Syria. The Syrian effort to prevent Israeli reconnaissance flights in Lebanon's skies is also connected to this contest. In this article we shall first consider the question whether the Syrians can take Israel by surprise.

The answer to this vital question is positive. Yes, the Syrians have the capability to surprise Israel. The basic conditions are such that they can take us by surprise despite the fact that we were badly burned when the Egyptian and Syrian armies mounted a surprise general attack in the Yom Kippur war, and despite the fact that several of our leaders have publicly promised that such a failure will not reoccur. The question is what kind of surprise. A former intelligence man, Col (R) Yo'el Ben-Porat, is right when he says that we are not talking about a strategic surprise. President al-Asad has already clearly declared to the world that he means to fight Israel and that he is preparing his people and his army for that. In other words, Israeli intelligence and the defense leadership are aware that this is Syria's strategic objective.

Consequently, the surprise concerns the timing of the attack, the operational method, the kind of warfare (attrition, etc.), and the scope of its objectives. Although President al-Asad has told us what his intentions are, in my opinion Israel can be taken by surprise in one or several of the above elements. It does not have to happen, but it is definitely possible.

Without the Usual Signals

We must remember that in Syria's regime only one man decides if and when the country goes to war. His general staff may recommend one thing and al-Asad can order an entirely different plan. He does not have to apprise even his own general staff of his decisions until the very last stages. This system is totally opposed to the decisionmaking process in open, democratic regimes. For that reason it is very difficult for intelligence to determine in advance the attack timing of an army commanded by a ruler like al-Asad. That is even more valid if most of the war plans are worked out far in advance. The more narrow the pyramid of the decisionmaking factors, the more difficult it is to distinguish unusual decisions. This is also the reason that we failed even to guess at President al-Sadat's decision to go to Jerusalem.

The Syrians's method of action can also take Israel by surprise. Note that the situation that has developed in the Golan Heights is similar to that which existed along the Suez Canal on the eve of the Yom Kippur war. The large Egyptian regular army was deployed very close to IDF lines. That may have made IDF observations easier, since they could see what was happening across from them (although it did not help change the intelligence estimation that the Egyptian army was not preparing to attack), but on the other hand it permitted the Egyptian army to mount a general attack across the entire length of the line from its permanent positions, without having to make any prior big changes. The Egyptians mounted the assault from their existing lines, and that was part of the surprise element.

A similar situation has developed in the Golan Heights. There is no waterway there, but there is the fence zone, which is easier to cross. The two armies are deployed one across from the other, face to face, within short range. Like the Egyptian army in 1973, the Syrian army has massed its main armor force (5-6 divisions) across from us. It does not need many prior preparations or concentration of forces, which may otherwise reveal its intentions, in order to be ready for war. From past experience with such situations we must conclude that the Syrian army in its present force can begin to move straight from its lines and camps in the Golan Heights to a general armor attack.

The conclusion is that because of the abovementioned deployment, some of the early signs of preparations for impending attack may not be there for the other side's intelligence to spot. Moreover, the development of weapons systems has also caused some of the early signals, on which every intelligence used to base its estimations in detecting war preparations, gradually to disappear.

We Should Assume the Worst

Currently the Golan Heights is covered by obstacles erected by both sides: anti-tank trenches and tunnels, mine fields, and all sorts of reinforcements. Breaking through those obstacles is difficult and may turn out to be very bloody. Consequently, it is to be assumed that the attacker would seek various circumventing methods so as to take the enemy by surprise. The Syrians do not have to begin their attack by an armor assault or movement. They may begin by opening fire from the rear, particularly with missiles, designed to neutralize airfields, command posts, emergency storage units, and so forth, and to disrupt the mobilization of reserves and the rapid flow of those forces to the Golan Heights.

They can seek a different method than the one employed in 1973: for example, intensive use of infantry and commando units, which can steal in under cover of darkness and occupy positions behind the Israeli lines and at various crossroads. The fact that the Syrians have established villages along the border where they keep commando troops may indicate such an inclination.

The acquisition of a large number of helicopters and the formation of dozens of regiments of special forces may also indicate an intention to fly those forces over the Israeli forward obstacles and lines.

If indeed the Syrians' intention is to isolate the battle field rapidly and prevent the rapid arrival of IDF reserve troops, and in the meantime to take swift possession of the area, then we must take into consideration the fact that they would try to spring on us airborne forces landed from helicopters. The Syrians could, of course, combine elements of each of those attack methods and additional ones. It is possible that their intentions and preparations would be discovered in time by Israeli intelligence. But even if my belief that we can be taken by surprise is mistaken, one must assume that the worst is the most likely to happen, and on that basis we must build the IDF plans and reactions for after the fact.

[18 Mar 86 p 9]

The assumption popular among many in Israel and also among foreign experts is that al-Asad would not dare to start a war against Israel without first securing the participation of one other Arab country, at least in the attack. Such an alliance in war, as was the case between Syria and Egypt in 1973, is most important from the viewpoint of the Syrians, but it is certainly not to be seen as a standing requirement without which Damascus would not begin one or another form of war. The entire Syrian military build-up was planned and designed so that the Syrian army can face the IDF by itself. That is the essence of the Syrian concept of a strategic balance of forces. The war model that the Syrians most glorify and extol is the war of attrition that they waged against Israel in the Golan in 1974. In that contest, they claim, they stood alone against Israel, without any Egyptian assistance. They succeeded in putting pressure on Israel, and the clashes even resulted in gains (the ceasefire accord under which they regained al-Qunaytirah and the Syrian Hermon).

Voices claiming that Syria is approaching the point at which it can stand against Israel by itself are heard increasingly loudly in that country. What is the basis for that assumption? It would seem that the most weighty is the Syrian appreciation that Israel is in a process of weakening. The IDF still holds the military superiority, but it has reached the limit of its growth. The Israeli nation does not have long staying power, and the proof of that is its exaggerated sensitivity to losses. The State of Israel is a combination of a weak society and a strong army, but the military strength will progressively weaken, and one should erode it and thus hasten the sapping process.

The Scope of Gains in Strength

Against that estimation stands the reality of the Syrian defeat in 1982. Judging by all signs, that is not the opinion of the Syrian generals. They view the lessons of the Lebanon war differently. They have convinced themselves that they never were defeated in 1982. They do recognize the failure of the Syrian air force and anti-aircraft missiles, but they present it as a limitted failure from which they have learned important lessons for the greater contest. Most of their self-confidence is derived from what happened, according to them, in ground battles. They explain that, although Israel had absolute superiority in the air, their ground forces stood their ground for a considerable length of time, even though the IDF had more forces and units in the field. The Syrian withdrawal was more orderly than in any previous war. From here comes their conclusion that they are going in the right direction in their military build-up and that all they have to do is intensify it.

The intensification of Syria's strength is indeed impressive in its scope, fire power, number of maneuvering units, sophisticated weaponry, and the new fields they have mastered. What are the new or particularly improved elements since 1982? Most prominent is the long-range or, more precisely, "strategic arm." This arm includes long-range anti-aircraft SA-5 missiles, sea-to-sea missiles with a range of about 300 km from the Syrian shore, and the precise SA-21 missiles that have been added to the Scud and Frog missiles.

This missile system is primarily designed as a deterrent to the Israeli air force, but also to neutralize sensitive targets such as airfields and mobilization and equipment centers. The anti-aircraft missile system has also been greatly bolstered, and the number of batteries exceeds 160. Thus, Syria currently has better air protection than in the past. The Syrian air force is larger than that of any other Arab country and has more than 600 aircraft. It is also scheduled to receive the sophisticated MIG-29. The addition of helicopters (a total of over 200) points to an interesting trend concerning both assault units (commando forces have been increased) and the use of fighter helicopters.

In the area of sea warfare, Syria has primarily acquired submarines. We are only talking about two old submarines, but they give the Syrians a new attack capability. To those will be added missile boatss, Corvettes, advanced missiles, and improved sea-to-sea missiles.

Russian Assistance

The ground forces have been considerably developed. The Syrians have 10 divisions, 5 of them armored. The divisions also comprise a larger number of brigades. The Syrian army has a total of some 4,000 tanks and an increasing number of mobile artillery guns. Its anti-tank strength has greatly increased. The reserve forces have been increased and their exercises have expanded. Since the war two corps commands have been established over the field forces. Today the Syrians can easily hold two fronts (the Golan and Lebanon), something they had difficulty doing in 1982. They also have stockpiles of reserve equipment, and they have taken care to establish dual systems of sensitive networks such as electricity, water, and so forth.

This strength has been built up particularly with Russian help (although material has also been purchased in Europe: French helicopters, or British armored cars and sophisticated mine dismantling equipment). It is doubtful whether the Soviet Union would look favorably upon a Syrian military adventure that may jeopardize al-Asad's regime. Nevertheless, al-Asad will not predicate his decision to go to war on prior Russian agreement. Damascus certainly assumes, and rightly so, that whatever happens Moscow will not allow a crushing Syrian defeat on Syrian territory. Even if al-Asad defies it, it is doubtful whether Moscow would withhold speedy aid in time of trouble.

All that explains Syria's heightened self-confidence. We increasingly hear from Syria that it has achieved a strategic balance in the area of defense against Israel; Israel's freedom of movement has been narrowed, and therefore it has fewer thoughts of attacking Syria than in the past. However, despite all the declarations, the Syrian army top brass are aware of the fact that Israel is still dangerous and can still stage surprise moves if its vital interests are affected. The question is what risk al-Asad will be willing to take once he estimates that the strategic balance stretches to the attack capability of his army, and that Israel has lost its military superiority.

[19 Mar 86 p 7]

In the previous articles we came to the conclusion that the Syrians have the motivation and urge to go to war against Israel; that their military strength has increased; that they have the capability to take us by surprise in one way or another, and that we should not be guided by the assumption that unless they have a military partner in the Arab world they will not dare to attack. In this connection, we should ask ourselves three basic questions: What is the Syrians' objective military capability to secure gains and to gain the upper hand over the IDF? Have we reached the red light from the viewpoint of timing, and is al-Asad thinking of war in immediate terms? What is the best deterrence that Israel can activate against al-Asad and the Syrian regime?

In view of the military and geographical conditions, it seems to me that the Syrian army can today successfully achieve territorial gains in the Golan Heights. For example, they can capture positions or settlements (as they did in the 1973 war, when they occupied the Hermon) on the assumption that after the fact Israel will refrain from an all out war to retrieve them. I give the Syrian army even greater credit and I am positive that in certain circumstances it can attain greater operational achievements than merely grabbing land in the Golan Heights, even though it would have to break through difficult obstacles. But in such a case they cannot rely on the assumption that Israel would put up with it. That would mean an extended war, and not necessarily a war of attrition, as Damascus perhaps expects. The greater the initial Syrian operational achievement, the greater the Syrian risk of a more drastic Israeli reaction in the second stage. Israel would not hesitate to throw into battle its entire military strength if the blow inflicted on it is indeed heavy.

To wind up this question we must add that the Syrians can secure military gains in the Golan Heights, particularly if they succeed in taking the IDF by surprise in the initial blow. Nevertheless, Damascus will embark on a military adventure only if it can assume that the risk involved in the military action is not great, or that the gain is considerable from their viewpoint (such as occupying an area and holding it, inflicting heavy losses on Israel, and gaining prestige in the Arab world).

Erosion of the Israeli Deterrent

Does al-Asad believe that he has reached such a stage and that the timing is right? His two militant speeches have recently given us the impression that al-Asad has taken a step forward. In my opinion, we have exaggerated the meaning of the two speeches and have hastened to read military signals into them. In principle, this is the trend of the Syrian build-up, but for the moment Damascus is not seeking to initiate a military contest.

It would seem that from the viewpoint of timing and order of priorities, Syria's attention is focused more on what is happening between Iraq and Iran, and Damascus is waiting to see what the next stage will be in that war. Rather than speculating on how to start a war against Israel, the Syrian leadership is currently more concerned about its future in the case that al-Asad's illness progresses (recent reports say that he can hardly see with one eye), in which case the internal power struggle will intensify, even within the 'Alawi community itself.

It is difficult to tell how long this perception will last. On the one hand, one can almost certainly assume that Israel's deterrence against Syria has been eroded to a greater or lesser extent in the Lebanon war. In recent years, what we used to call Israel's red lines have also been eroded. Israel's image has been weakened. On the other hand, the Syrians can gauge Israel's strength more accurately than some of their Arab brothers. They know that Israel does not want to appear weak in the eyes of the Arabs and that if it finds itself with its back against the wall it will react energetically. For example, Israel does not want once again to be stuck in the Lebanese mire, but when its vital interests are affected (like the kidnapping of two soldiers in southern Lebanon), it does not hesitate to react immediately and in great strength.

A Chorus of Declarations

From past experience it can be stated that when the Syrians estimate that the force pitted against them is strong, they are willing to set game rules (but not official accords) and to observe them. Such game rules were established when the Syrians invaded Jordan in 1970, or at the time of the ceasefire accord after the 1974 war of attrition, or when they sent their army to Lebanon in 1976. It was not the Syrians who violated those rules, but Israel, when it shot down Syrian helicopters in 1981.

In order to prevent the erosion of the Israeli deterrence, we must ensure that al-Asad and his aides know that Israel has a great military force which thinks and plans in terms of offensive, too; they must know that despite the increased Syrian strength, they can be taken by surprise (also considering our technological capability) on the battle field just as we took by suprise the Syrian anti-aircraft missile system in 1982; they must know that in an emergency, Israel would not refrain from taking extreme and uncommon steps; and that in an all-out war al-Asad will jeopardize his regime and the 'Alawi rule of Syria--a fact which may be welcomed in several Arab countries. However, we must take care not to push al-Asad into a corner and must be careful of his prestige and the prestige of his regime. This is an area in which we are not cautious. Whenever there is tension, there immediately rises in Israel a chorus of uncoordinated declarations and statements, by both political and military factors, probably unauthorized, as was recently the case.

Will such a deterrence always work? One cannot tell. By nature, deterrence is not something permanent that can stand forever without change. The difficulty in Israel's deterrence against Syria is that Damascus will not be willing to accept the status quo forever, both in the Golan and in Lebanon. Neither is it willing to accept separate political accords concluded by other Arab countries with Israel, leaving Syria on the outside, as was the case with the Camp David agreements. For that reason, Israel's intelligence community must be permanently on the alert, while the IDF must prepare itself for every possible military scenario.

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ISRAEL

HAZARDS OF BE'ER SHEVA' TOXIC CHEMICAL PRODUCTION DISCUSSED

Tel Aviv DAVAR in Hebrew 13 Mar 86 p 10

[Text] A truck loaded with chemicals leaves the Be'er Sheva' train terminal around midnight on its way to one of the plants in the Ramat Hovev district south of the city. At Derekh Haharoshet junction, near the supermarket of Subdivision C, it collides with a car and its container is cracked. All 21 (metric) tons of the chemical it is carrying--di-methyl-sulphate--is spilled. Most of it catches fire. The easterly wind, which is then blowing at 7 km/hr, disperses the chemical toward the subdivision, one of the most populated in Be'er Sheva'. About 5 minutes later there is a concentration of the chemical at the intersection of Qalisher and Hanatziv Streets. If the accident is not treated promptly, the media will announce hundreds of casualties. This frightening scenario, imaginary as it may sound, is not too far fetched. It is but one example of an accident that may happen in Be'er Sheva'. A committee of experts, headed by Dr 'Ido Levin, and appointed by Mayor Eliyahu Navi, is warning against such accident. It was appointed to examine the transportation of toxic substances through the city and the effect this may have on the population. The abovementioned chemical is indeed transported through the city every other week, in the amounts described. The intent of those who wrote the scenario, according to Dr Levin, was to warn against the danger of transporting toxic substances through populated areas. The dimensions of such an accident were recently brought home in Bhopal, India.

Actually there is no need for imaginary scenarios. Reality can provide many such examples. The truck which overturned on 11 November 85 on the Be'er Sheva'-Bet Qama road was carrying 17.5 (metric) tons of a dangerously toxic chemical, which causes tearing and coughing and later damages internal organs as well. The travel code was defined as EP-2, meaning that the truck carried a combustivle chemical and in case of an accident people in the vicinity have to be evacuated. Negev fire chief Avner Mordekhay says: "The truck overturned on soft soil and turned on its right side. This is the only reason it did not crack and there was no leakage. Had it overturned on the road, the chemical would have evaporated quickly following the explosion and the whole area would have been poisoned." According to him, had the truck overturned in the heart of the city, most of the residents would have to have been evacuated.

Dozens of trucks loaded with toxic substances from all over the country go to Be'er Sheva' weekly and from there they proceed to the national site for storing toxic wastes, located in the industrical complex in Ramat Hovev, about 12 km south of the city. They carry cyanides, mercury, and sulphuric acid. The main problem at this stage is that there is no facility to neutralize these toxic substances. They are just buried there. The danger of their leaking into underground water resevoirs is very real. According to the Mivney Industries company, which is responsible for the site, the amount of toxic wastes produced in Israeli factoris is about 30,000 (metric) tons annually. Most of it is dumped in Ramat Hovev, via Be'er Sheva', without a circumventing road. The substances come from Haifa Bay, from Jerusalem, from Gush Dan and Ashdod.

The environmental problems in Be'er Sheva' are among the most serious in the country. The conditions described above are augmented by odors, dangerous in themselves, originating from chemical plants in the region, especially Makhteshim, where fertilizers are produced. The plant dumps thousands of cubic meters of polluted water into the Be'er Sheva' stream. A large amount of this water cannot be recycled because of the high toxic concentration. The water mixes in the stream with polluted water from other plants. It is doubtful whether there is any supervision over what is going on there. The damage caused to the natural setting in the stream and its surrounding is irreversible. Damage to undergound resevoirs, into which water from the stream seeps, is very serious. It will take many years to remedy the damage, if it can be done at all. There are several sites within the city, especially near the train terminal, where there are warehouses for the storage of toxic substances. Many owners of these warehouses do not report, as required by law, on the nature and amount of the materials they store. If these substances should leak, and there were such instances not too long ago, the fire fighters and Red Star of David do not have the information so they can deal with the situation promptly and effectively.

Many Be'er Sheva' residents are very concerned over this. A local, non partisan committee was formed recently to address the problem of improving the environment and reduce the ecological dangers to the region. "We vehemently oppose turning the Negev and Be'er Sheva' into the nation's trash can," says chairman Udi Levi. The committee recently sent a letter to Mayor Eliyahu Navi and to the regional Health Ministry physician, Dr Viola Tarq. In the letter the members warn that if all those involved do not take prompt steps to reduce Be'er Sheva's pollution, the committee will take them to court. Writer Aharon Appelfeld, who teaches literature at Ben Gurion University in Be'er Sheva', says: "Residents of the city are apparently not aware of the seriousness of an ecological problem. This is a cumulative danger, whose destructive effects will only become clear after many years."

Be'er Sheva's mayor, Eliyahu Navi, has been carrying on a public campaign for years against locating the dump site so close to the city and against transporting toxic chemicals through it. Up to now his struggle has not borne any fruit. "National authorities have to deal with the transportation of toxic substances," says Navi. "They have to have the proper legislation. The most serious problem is that of transporting these wastes through the city. It is doubtful whether Ramat Hovev is the best place to store toxic wastes."

Geologists and hydrologists from Ben Gurion University do indeed contend that the Ramat Hovev site is an ecological danger to the whole region. Prof Dov Bahat, a geologist, disputes the common assumption that the rocks in Ramat Hovev seal the toxic chemicals. According to him, any contact by the chemicals with local rock may cause seepage, which will be followed by an ecological disaster. In a document, submitted recently to the mayor by Prof Arye Isar, the 1985 Bergman Prize winner, he stated unequivocably that the Ramat Hovev site is not suitable for storing toxic wastes. Prof Isar, a hydrologist of the Desert Research Institute in Sede Boqer, also points out that the toxic substances may leak into underground resevoirs. "The site was chosen, I think, in a process of compromising what is desirable to what is available. It is not too late to find another site," he wrote in his document.

In an article published about 6 months ago in HABIYOSFIRA, by the chairman of the Ecological Service, Dr Uri Merinov, he listed many shortcomings in treating toxic wastes in Israel. According to him, the term "toxic wastes" does not even appear in Israeli legislation. Says Merinov: "There is no complete data on the cycle of chemicals in Israel -- import, production, uses, transportation, wastes. There is not enough data on the ways to prevent chemical accidents. There is no awareness of how to deal with an accident and there is no organizational framework. There are no trained people, there are no clear directives for plants and institutions, and there is no supervisory system. There is no plant for the removal and neutralization of toxic wastes. "The time for research and surveys is past," sums up Dr Merinov. "We have conducted many of them in the past decade. Now is the time for action."

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ISRAEL

BRIEFS

RELATIONS WITH POLAND--An Israeli official was due to arrive in Warsaw within a few days in order to complete negotiations with the Polish government on opening missions in both countries. The official was to discuss technical and organizational details related to the opening of the Israeli mission in Warsaw, as was agreed upon several months ago. In the discussions held then it was agreed that the delegations in Warsaw and Tel Aviv will consist of several people. The Israeli delegation to Warsaw is to be headed by veteran diplomat Mordekhay Paltzor. It is estimated in Jerusalem that the missions can be opened within a few months. Contacts to that effect have been renewed in recent days, following several months in which Israel awaited approval of its designated diplomat to Warsaw. The question of opening the missions was brought up when Deputy Prime Minister and Foreign Minister Yitzhaq Shamir met with Polish Foreign Minister Stephan Olszowski last September. Following the meeting there were some more contacts through the embassies of both countries in Bonn. Discussions were suspended with the appointment of the new Polish foreign minister. [Text] [Tel Aviv MA'ARIV in Hebrew 14 Mar 86 p 2] 8646

LIBERAL CENTER PARTYAPPOINTMENT--Yosef Lapid, a member of the editorial staff of MA'ARIV, was appointed secretary general of the Liberal Center Party yesterday. Lapid, 55, will assume his position on 1 April 1986. [Summary] [Tel Aviv MA'ARIV in Hebrew 27 Mar 86 p 12 TA] /9365

INCREASE IN ARAB EDUCATION--An improvement has been registered in the educational level of the Arab citizens of Israel. According to an Education Ministry survey, the number of Arabs with high school or academic training has risen fivefold since the early 1960's and the number of Arab students who have passed the matriculation examinations has gone up by 10 percent since the early 1970's. [Text] [Jerusalem Domestic Service in Hebrew 1400 GMT 24 Mar 86 TA] /9365

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KUWAIT

GOVERNMENT ATTEMPTS TO CUT ELECTRICITY SUBSIDIES

Beirut AL-IQTISAD WA AL-A'MAL in Arabic Feb 86 pp 56-57

[Article: "Kuwait: From a Prosperity Society to a Society of 'Rationalized Expenditure'"]

> [Text] Kuwait, too, is embarking on the battle to lower subsidies, thereby joining a long line of countries, some of which have been able to eliminate or reduce government subsidy for strategic major commodities, while others have failed because of popular rejection. The significance behind Kuwait's attempt to lower principally the subsidy on electrical power is that Kuwait, while still a rich country, in spite of the fall in its petroleum revenues, is nevertheless planning to retreat to a moderate degree from a "prosperity society" to a society of "rationalized expenditure." Here is a report on the government's attempt to raise electricity prices, an attempt that is being rejected by the National Assembly.

Recently, something of a crisis erupted in Kuwait between the government and the National Assembly over a bill to increase electrical power prices according to brackets of consumption. The bill would maintain electricity prices as they are for a limited quantity of consumption, while raising them by a large percentage for those who use electricity excessively. The government was moved to present this bill by the enormous financial burdens that have resulted from the great increase in the consumption of electrical power. As a consequence of this increase, extremely costly new generating stations and installations have been constructed, and the cost of production has risen 13 times more than the price of power. Finally, oil revenues are expected to decline in view of the givens of the current petroleum market. The proposed bill comes within the framework of a general plan calling for the imposition or raising of fees on most public services, with the goal of effecting a general rationalization in the use or consumption of public services. This would mean a qualitative transition from an age of "prosperity" to an age of "rationalization."

The government position on the subject of fees and the justifications for an increase in them can be summarized as follows:

1. There has been an increase in the burdens borne by the state in return for providing various services at an adequate level with the aim of maintaining a "prosperity society" that affords its members an appropriate standard of living.

2. The burden borne by the state in domestic public expenditures has expanded at record rates during the last 15 years (1970/71 to 1984/85). Its size at the end of the period, at current prices, had reached 13 times what it had been at the beginning of it: 3.045 billion dinars in 1984/85, compared with 238 million in 1970/71, i.e. a 20 percent annual rate of increase.

3. The average per capita share of domestic public expenditure rose from approximately 312.4 dinars in 1970/71 to approximately 1,819.2 dinars in 1984/85, i.e. by a factor of six, for an annual rate of increase of 13.4 percent.

4. Capital costs have increased, especially those connected with electricity and water projects. Total capital costs borne by the state for constructing service projects during the last 5 years amounted to approximately 3.055 billion dinars. Of this amount, approximately 1.318 billion dinars were for electricity and water, 456 million dinars for roads and sewers, and 118 million for telegraph and telephone.

5. Funding of public expenditure has until now depended on oil revenues, not on receipts deriving from other income. During the last 10 years, other public receipts, deriving from service fees or taxes, covered no more than 8 percent of public expenditures in the state budget annually on the average.

6. If the expected fall in oil prices materializes, it may mean that the state will be unable to bear the increase in the accumulating burden and to provide various services.

The National Assembly position on the subject of fees can be summarized in the following points:

1. Sufficiently detailed statements about these fees have not been presented, nor have detailed justifications supporting an increase in them at the present time been published.

2. The impact of such fees on the living standards of people with limited incomes has not been taken into account, especially since more than 80 percent of the population of Kuwait, both residents and citizens, are classified as families with limited income.

The government justifies the increased fees for services by the increase in consumption, on the one hand, and by the increase in production cost, on the other hand. As published recently, the estimated production cost of a unit of electrical power has increased from about 6.5 fils [1 dinar=1000 fils] per unit supplied to the consumer in 1979/80, to about 26.5 fils per unit supplied to the consumer in 1983/84. At the same time, the ministry several times in past years proceeded to introduce successive reductions in the selling prices for electricity, so that its price dropped in several stages from the equivalent of 28 fils per unit in 1953, to 2 fils per unit in 1966, which remains the effective rate up to the present. In other words, the government subsidizes the price of a unit by 24.5 fils.

The sharp drop in the selling price of electricity coincided with a rapid growth in demand for electrical power. This was reflected in a more than tenfold increase in average per capita consumption between 1957 and 1984. It is also to be noticed that this increase accelerated in recent years, with the increase in oil revenues and the change in the pattern of living in the country.

The rising patterns of electricity consumption imply a noticeable amount of waste, extravagance, and misuse exceeding the levels prevalent in other areas of the world with climatic conditions similar to those of Kuwait (high temperature and high humidity most days of the year).

On the other hand, the drop in the level of oil production has had a direct effect on production costs. Until the end of the seventies, the basic fuel was the natural gas that is associated with extracted oil. The Ministry of Electricity was supplied with it free of charge, and the surplus used to be burned.

However, after a gas liquefaction plant was put into operation in 1978, and with the decrease in production and export of oil (and therefore of gas), the ministry began to use increasing quantities of various liquid fuels (diesel, crude oil, and heavy oil) to supplement the fuel needed to operate the generating stations in Kuwait. In 1984, the quantity of liquid fuel consumed amounted to approximately 22 million barrels, in addition to approximately 60 billion cubic feet of gas, at a cost of approximately 210 million dinars. As we have mentioned previously, this was reflected in the actual cost of producing a unit of electrical power.

The proposed price schedule is based on total consumption, in accordance with the following brackets.

For residential houses belonging to citizens:

--Firt bracket: 2 fils per kilowat (approximately 27 percent of cost to the government), unchanged, for consumption of [up to] approximately 4.500 units of power per month;

--Second bracket: 7 fils per kilowatt for private residences, for a consumption level from 4.501 to 8.000 units per month;

--Third bracket: 12 fils, for more than 8.000 units per month.

For residential apartments:

--First bracket: 2 fils per kilowatt, for up to 1.500 units per month;

--Second bracket: 7 fils, for between 1.501 and 3.000 units per month;

--Third bracket: 12 fils, for more than 3.000 units per month.

For industrial establishments:

--First bracket: 2 fils, for up to 25.000 units per month;

--Second bracket: 7 fils, for from 25.001 to 50.000 units per month;

--Third bracket: 12 fils, for more than 50,000 units per month.

Small industrial establishments, government agencies, and social institutions subsidized by the state are exempt from the increase.

According to the proposal, the new price schedule will go into effect starting 1 April 1986. The size of the brackets was determined after statistical studies of actual consumption rates for large samples of various kinds of residence and of the power consumption of many kinds of machinery and equipment.

Experts and observers have made a number of observations about the proposed bill:

1. Application of the price schedule starting 1 April 1986 will have a direct impact on the extent to which the National Assembly accepts the principle of applying fees for other government-provided services: public health, free medical care, schools, as well as the policy of subsidizing many foodstuffs.

2. The proposed increase will make citizens [and] residents feel the value of state-provided services. It will make them feel the importance of conservation and of rationalizing the use and consumption of commodities and public services so as to reduce waste in their use.

3. The expected drop in oil prices will affect the government's ability to confront the increase in government expenditures, especially high capital outlays, not to mention the running expenses borne by the government in providing public services. Expenditures for electricity and water have reached approximately 20 percent of total state expenditures.

4. The new price schedule will save more than 1 billion dinars (3.42 million) in fuel costs, and a total of 410 million dinars ($1,370 million) [all figures as printed] in construction costs over the next 15 years, 1986-2000. At the same time, it will help raise approximately 740 million dinars in additional fees.

5. In the short run, the proposed increase will lead to an increase in the daily difficulties that both residents and citizens face on account of the economic slump and the drop in the level of revenues, which have reduced their ability to save and their purchasing power. It will also adversely affect economic activity. The results will be most evident in the situation of non-Kuwaiti residents.

12937/12790
CSO: 4404/251

AFGHANISTAN

LIMITS OF SOVIET STRATEGY EXAMINED

Paris POLITIQUE ETRANGERE in French 4th quarter 85 pp 871-882

[Article by Olivier Roy, director of research, CNRS [National Center for Scientific Research]: "The Soviet Strategy in Afghanistan and its Limits"]

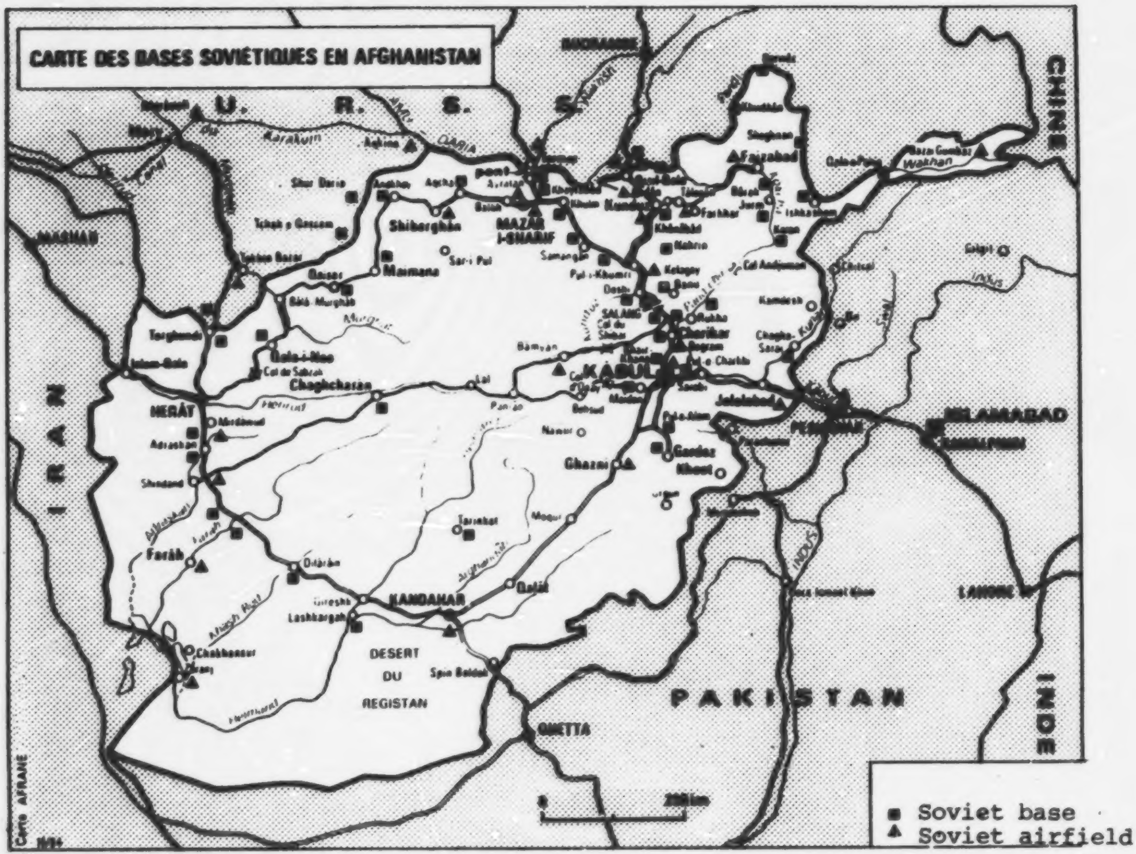
[Text] Two opposing theories are advanced concerning the reasons for the Soviet intervention in Afghanistan. One theory interprets the intervention in the centuries-old context of the advance toward warm seas (in which case the April 1978 coup d'etat, and also the December 1979 military invasion, are part of a preestablished plan), whereas the other perceives it as a defensive--even improvised--reaction to the vacuum created on the Soviet frontier by the collapse of a communist regime put in place by an indigenous coup d'etat. Whichever hypothesis is chosen, all commentators are agreed as to the outlook for the war: time is on the side of the Soviets, who should be able to maintain the conflict at a low level of intensity while waging a war of attrition and gambling on the weariness of the civilian population, with a view to the subsequent reconstruction of a sovietized Afghanistan based on the generations of young Afghans educated in the USSR. One discovers here a comparison with Soviet Central Asia, in that the Bolsheviks needed 15 years (1918 to 1933) to extirpate the resistance of the Basmachis: once that operation was completed, the old guard of fellow travelers and Muslim communists (such as Sultan Galiev)--which had become useless and had remained nationalist--was eliminated in favor of a new generation that is more technocratic than political.

It seems to us, however, that this perspective fails to take into consideration a number of factors that are unique to the Afghan situation: factors that explain why the Soviets in effect find themselves in an impasse from which they will escape only if they make precisely those choices which they are trying to avoid.

The Soviet Strategy

As Milan Hauner observes, the contrasting of two theses concerning the offensive or defensive character of the invasion of Afghanistan is a false debate. It all depends on the time frame in which one is operating. For the long term, I believe it is difficult to dispute the thesis of the advance toward warm seas and the Soviet desire for the de facto integration of Afghanistan into the USSR; moreover, the April 1978 coup could not have been initiated without the

Map 1. Map of the Soviet Bases in Afghanistan



CARTE DES BASES SOVIÉTIQUES EN AFGHANISTAN
U. R. S. S.
Karakum
DARIA
Aqhina
Shir Darie
Tchah e Gessem
Shiberghân
MAZAR I-SHARIF
Sar-i Pul
Maimana
Samangân
Pul-i-Khumri
Bâlâ-Murghâb
Murghab
Torghondi
Islam-Qala
Qala-i-Nau
Col de Sabzak
Chaghcharan
HERÂT
Adraskan
Shindand
Farâh
Dilârâm
Gireshk
Lashkargah
KANDAHAR
Qalât
Chakhansur
DESERT DU REGISTAN
Spin Boldak
QUETTA
Tarinkot
Moqur
Ghazni
Gardez
Khost
Bâmyân
Lal
Panjao
Nawur
KABUL
SALANG
Col du Shibar
Charikar
Bagram
Jalalabad
PESHAWAR
ISLAMABAD
Kholm
Kunduz
Talocan
Farkhar
Faizabad
Jurm
Ishkashem
Khânâbâd
Kelagay
Col Andjuman
Panjshir
Rukha
Kameshk
Chagha Sarai
Kunar
Wakhan
Gilgit
Indus
Chitral
INDUS
PAKISTAN
LAHORE
IRAN
CHINE
INDE
MASHAD
0
200 km
Carte AFRANE
Soviet base
Soviet airfield

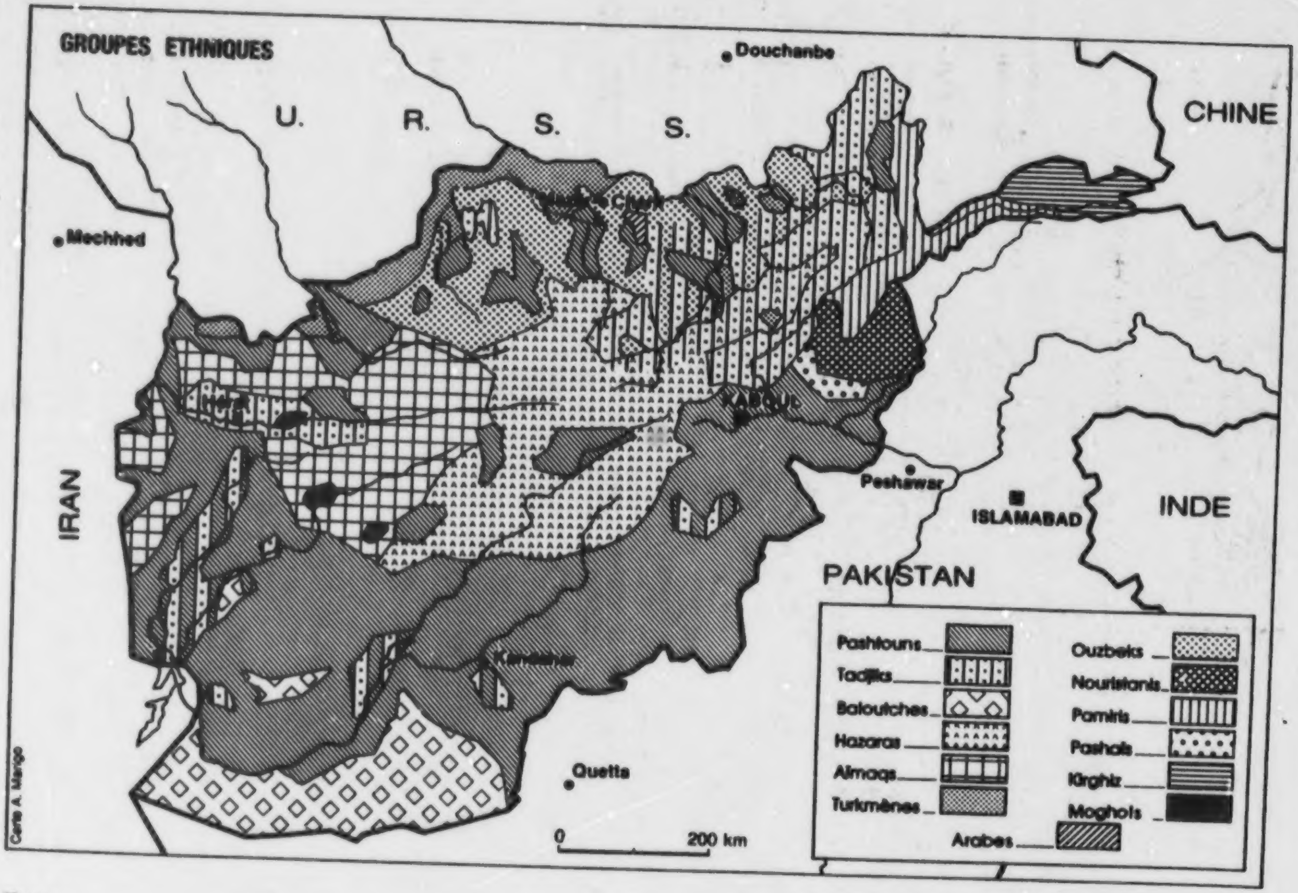
consent of the Soviets, who were, however, in no way being threatened. The December 1979 invasion, on the other hand, was not foreseen and was designed to fill the vacuum being created on the USSR's flank as a result of the collapse of the Hafizullah Amin regime. The unpredictability and capricious nationalism of the latter elicited fear of a destruction of alliances, even though the United States obviously had no intention of embarking on an Afghan adventure; it is too often forgotten that Great Britain's withdrawal from the region in 1947 reshuffled the cards in the "Big Game" and that the United States has never felt (and, moreover, still does not feel) that it has a strategic stake in Afghanistan. The fear of a vacuum, however, was enough to cause the Soviets to act. Long-term considerations were again apparent in the second action that was taken: the "incidental" invasion was reinterpreted by the Soviets in a broader strategic and ideological perspective. The object was clearly to capitalize belatedly on the invasion by transforming Afghanistan into an outpost of the Soviet Union: this is the explanation for the reinforcement of the base at Shindand (situated in the middle of the desert in the southwestern part of the country) and for the deployment of a sizable military contingent along the Iranian frontier, despite the fact that the military activities of the guerrilla forces are minimal throughout the region. Lastly, the invasion is perceived by the Soviets themselves in the ideological context of the inevitable advance toward socialism. Afghanistan is systematically defined as a country on the march toward socialism, a march that is irreversible. What we have therefore is not two possible Soviet policies (defensive or offensive), but rather a new version of an unforeseen scenario (intervention by the Red Army to fill a dangerous vacuum) in a broader strategic perspective (the concurrent expansion of the USSR and socialism).

Once these broad outlines have been established, it remains for us to examine the coherence of the Soviet strategy in the field, both from the military and from the political standpoint. One is often puzzled by the seeming powerlessness of the Soviet Army vis-a-vis guerrillas who at the time were very ill-equipped, and some observers thought that if the Soviets so desired they could crush the resistance. The fact is that they neither want to nor are able to. The manner in which the Soviets are managing their Afghan conflict is both coherent and realistic (which does not mean that it is effective). For them it is a question of avoiding the Vietnamese syndrome: of avoiding either a "day of reckoning" or an uncontrollable escalation. The entire Soviet policy is to maintain the Afghan war as a limited conflict that can be waged without calling into question the major strategic operations of the USSR in other areas. This calls for the presence of a relatively limited expeditionary force, so that the costs of the war in economic, human, and political terms will remain sufficiently low that the other priorities will not be affected. Any intensification of the war, however, would compel the Soviets to cross a threshold (more qualitative than quantitative) on these three levels.

This basic postulate gives rise to a three-part strategy consisting of military operations, pacification, and sovietization. The military operations have two objectives: to compel the guerrilla fighters to remain permanently on the defensive in their strongholds, and to empty the most active zones of their civilian population. For the Soviets it was a question not of crushing the active forces of the resistance but of containing them and wearing them down: hence the massive use of military aircraft and artillery, combined with hammer-blow offensives in which the brunt of the action is carried out by airborne troops who are better trained and more effective. The present composition of the Soviet expeditionary force does not allow for going beyond that stage, and the decision not to change the composition of that force is political rather than technical.

The pacification effort targets those rural areas where the military and political structure of the resistance remains very slack. The object is accordingly to play the traditional notables off against the cadres of the resistance (usually intellectuals or ulemas); the policy of pacification is in no sense a policy of subversion but on the contrary aims at strengthening traditional society vis-a-vis a politicized resistance. The allegiance of the notables is obtained by strengthening them precisely in their role as notables: it is through them that the money and weapons supplied by the government are distributed, and the group over which their influence extends is transformed into a governmental militia. No effort is made to carry out agrarian reform or to reestablish the governmental apparatus. It is the old colonial policy of pacification that had been so successful for the British on the Indian subcontinent.

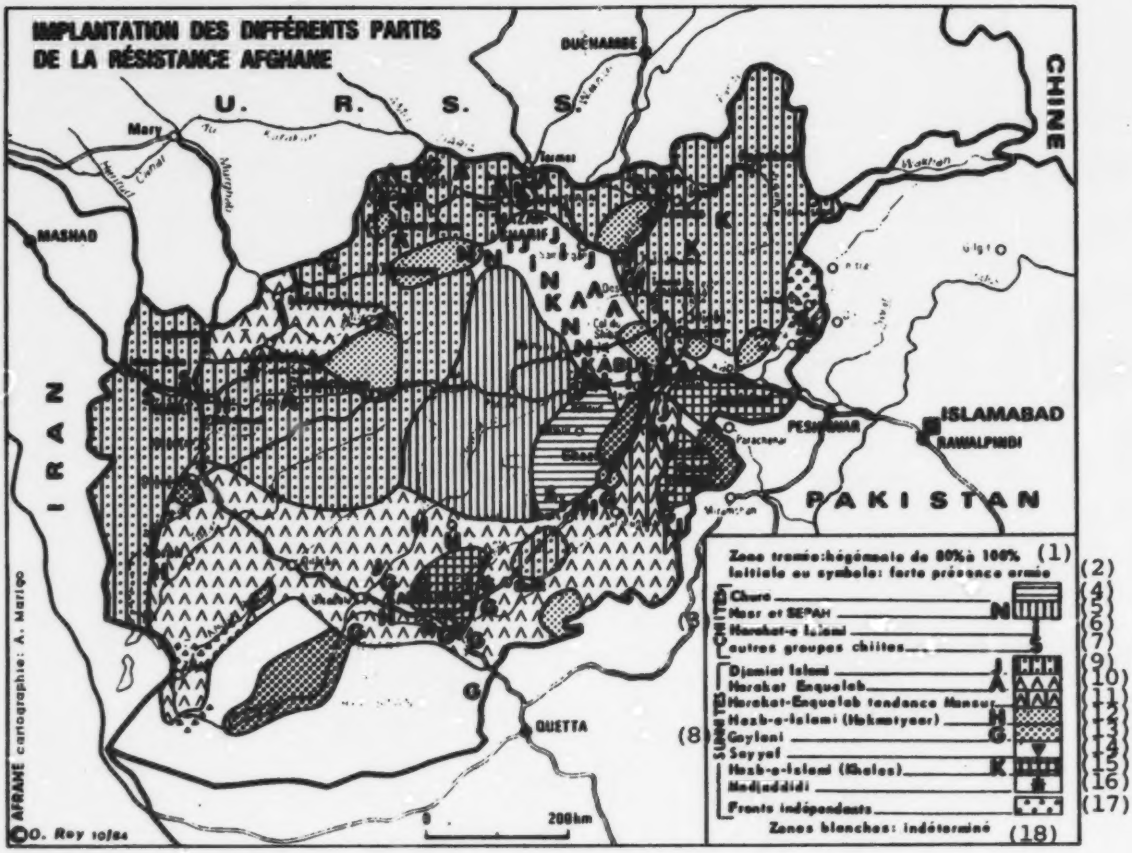
Map 2. Ethnic Groups


GROUPES ETHNIQUES
U. R. S. S.
Douchanbe
Mechhed
CHINE
IRAN
Hérat
Kaboul
Kandahar
Peshawar
ISLAMABAD
INDE
PAKISTAN
Quetta
0
200 km
Pashtouns
Tadjiks
Baloutches
Hazaras
Almaqs
Turkmènes
Ouzbeks
Nouristanis
Pamiris
Pashais
Kirghiz
Moghols
Arabes
Carte A. Mango

Key:

1. Pashtuns
2. Tajiks
3. Baluchis
4. Hazaras
5. Almags
6. Turkmens
7. Uzbeks
8. Nuristanis
9. Pamiris
10. Pashais
11. Kirghiz
12. Mogols
13. Arabs

Map 3. Distribution of the Different Groups of the Afghan Resistance


IMPLANTATION DES DIFFÉRENTS PARTIS DE LA RÉSISTANCE AFGHANE
U. R. S. S.
CHINE
IRAN
PAKISTAN
DUCHAMBE
Mary
MASHAD
KABUL
PESHAWAR
ISLAMABAD
RAWALPINDI
QUETTA
Zone tramée: hégémonie de 80% à 100% (1)
Initiale ou symbole: forte présence armée (2)
CHIITES
Chura (4)
Nasr et SEPAH (5)
Harakat-e Islami (6)
autres groupes chiites (7)
SUNNITES (8)
Djamiat Islami (9)
Harakat Enqelab (10)
Harakat-Enqelab tendance Mansur (11)
Hezb-e-Islami (Hekmatyaar) (12)
Gaylani (13)
Sayyaf (14)
Hezb-e-Islami (Khales) (15)
Modjaddidi (16)
Fronts indépendants (17)
Zones blanches: indéterminé (18)
(3)
0
200km
AFRANE cartographie: A. Marigo
© O. Roy 10/84

Key:

1. Plotted area: dominance from 80 to 100 percent
2. Initial or symbol: strong armed presence
3. Shi'ites
4. Shura
5. Nasr and Sepah
6. Harakat-e-Islami
7. Other Shi'ite groups
8. Sunnites
9. Jami'at-e Islami
10. Harakat-e Enqelab
11. Harakat-e Enqelab, Mansur school
12. Hezb-e-Islami (Hekmatyaar)
13. Gaylani
14. Sayyaf
15. Hezb-e-Islami (Khales)
16. Mujaddidi
17. Independent fronts
18. White zones: undetermined

Sovietization is carried out only in the large cities (and in actual fact only in the capital, Kabul). The purpose here is to train a new generation of Afghans on the Soviet model. The basic weapon is deculturation: the sending of young children to remain for years in the USSR; the promotion of life styles that are very different from traditional Muslim social life (alcohol, dancing, mixed marriages); and emphasis on technical training in a totally laicized context rather than on political training. The expectation is that the new generation will gradually fill the vacuum created by the two previous policies. In this long-term plan the generations that experienced the prerevolutionary period are regarded as beyond redemption, including the communists (the continuation of tribal and leadership disputes within the Communist Party supports the Soviet view on this point).

Each part of this three-part strategy is therefore implemented within a particular framework of time and space: for the short term and the bastions of resistance, military action; for the medium term and the "soft" zones, pacification; and for the long term and the capital city, sovietization. Recent developments, however, demonstrate that this policy encounters obvious limits.

The Limits

The Soviet plan can work only if the resistance is not reinforced and only if the Kabul regime holds out. The hammerblows of the Soviet Army have in practice proved to be of little effect, even in the vicinity of the capital. The pacification effort has gone forward, together with the removal of the population from those regions where the resistance fighters had been operating freely. Many of the militia who enlisted did so only out of boredom, however, and are secretly collaborating with the resistance while helping--in some regions--to resupply it. The enlistment campaign will prosper only if the resistance suffers severe military defeats. The fact is that the resistance--which, based on an authentic people's movement, has been able to hold out for 5 years with very little outside support--is now being reinforced in its strongholds, at least in strictly military terms. Its armament has been substantially improved (with the exception of antiaircraft missiles), and it is a secret to no one that the American aid approved following passage in Congress of the Tsongas resolution (4 October 1984) is finally reaching the resistance in the interior, after 5 years of parsimoniousness. Better still, this aid is being distributed on a much more rational basis and in accordance with criteria that are primarily military. Lastly, this aid is arriving at a moment when the strongholds of the resistance (Panjshir, Paktya, Kandahar, and Herat, but also Kabul and Mazar) have been greatly professionalized and often have good commanders and a political organization, further intensifying the contrast between these strongholds and the rest of the regions held by the resistance, which are doing battle intermittently and are experiencing a high degree of fragmentation.

The resistance fighters have recently obtained a number of conspicuous successes: capture of the military post at Pushgur in the Panjshir on 15 June 1985; night bombardments of Kabul; and containment of the Soviet offensive in the Paktya in September. Soviet losses in men and materiel are increasing, in particular with respect to helicopters. Far from being tied down in their strongholds, the resistance fighters are mounting operations that are increasingly daring and are now employing light artillery and ground-to-ground rockets. For the time being the Soviets are still secure in their bases, and it is primarily the government army that is bearing the brunt of the resistance. But this aggressiveness of the resistance hampers the Soviets in their pacification effort: even in Kabul there are no government bastions from which the regime can radiate its influence. Worse still, the governmental apparatus is infiltrated by the resistance; the army is depleted by desertions; and the loyal troops are decimated in combat. In short, the Soviets have not yet been able to put in place a minimum system of transmission bands to control the country over the medium term. They are compelled to involve themselves increasingly in the direct administration of the country and in the fighting. All the offensives are now being carried out by Soviet troops, whereas until this year certain regions such as the Paktya had seen only government troops.

For the Soviets, the only short-term solution would be to strengthen their expeditionary forces both in number and in quality: more mechanized troops to occupy terrain and cut the lines of communication of the resistance, and more paratroops to crush the strongholds of the resistance. Can the Soviets do this without again calling into question their initial postulate: namely, that the war in Afghanistan must be kept within the bounds of a limited conflict that will not threaten the major foreign policy options? The response is in the negative.

The fact is that it would not suffice to bring in a few more motorized divisions: to be effective, the Soviet expeditionary forces must be tripled. There are already eight motorized divisions in Afghanistan. One might think that the dispatch of 15 additional motorized divisions would not represent a serious drain upon the total of 134 in the Soviet Army. One must be skeptical, however, of these paper figures. Some of the Soviet divisions are at less than 50 percent of their authorized personnel strength, and these are precisely the divisions stationed in the central and southern part of the USSR--in other words, those which could be sent to Afghanistan without depleting the European or Chinese fronts. The alternative is therefore either to carry out a partial mobilization or to thin out--if only symbolically--the strategic fronts (although the Soviet strategists are very susceptible to the myth of the accumulation of forces). A partial mobilization would intensify the unpopularity of the war in Afghanistan; and contrary to another (and widely accepted) view, the regime is sensitive to the image that this war has acquired in public opinion; (Footnote 1) (The war in Afghanistan is now described with realism by the Soviet newspapers, which emphasize the intensity of the fighting and compare the war to the "Great Patriotic War." In the field, observation of the Soviet troops in combat shows clearly that the officers are under orders to hold down losses; it is no longer like the Finland of 1940, another limited war to which the Afghan conflict has been compared) for any increase in effectives would involve an increase in losses. Lastly, tripling the size of the expeditionary forces would pose enormous logistical problems, which are the Soviet Army's weak point on a terrain that is quite unfavorable.

Could the Soviets rely solely on reinforcement of their elite troops? They have two paratroop divisions in Afghanistan. To be effective, these should be increased to four: that is to say, half of their total of eight paratroop divisions. When one realizes that the operations conducted in the manner of Czechoslovakia 1968 succeeded only because of the paratroops, one can well believe that the Soviets will hesitate to withdraw one or two paratroop divisions from the European front, where they are now concentrated. In either case Afghanistan would cease to be a limited conflict, for the Soviets would have to adapt the overall disposition of their troops--and their international policy as well--in accordance with the Afghan terrain.

In short, the only military solution for the Soviets would be a massive utilization of chemical weapons against the strongholds of the resistance. This would present substantial diplomatic problems and would offer the sole advantage of settling the problem more speedily in the expectation that public indignation would abate.

The Inevitable Choices

Four possible courses of action remain open to the Soviets. The USSR could initiate chemical warfare, but such a course would put it on the defensive at a time when it is counting on its pacifist image to counter the "Star Wars" projects. Or it could substantially increase its effectives, but Afghanistan would then become the Soviets' Vietnam, that is to say, not necessarily an endless impasse but a strategic priority. (Footnote 2) (This would corroborate the gradual change noted above in the way the conflict is depicted, namely, away from portraying it as expression of the duty of proletarian internationalism and toward portraying it as a patriotic war) Or it could embark on a "forward retreat" toward Pakistan, to cut the lines of communication of the resistance, but in that case the USSR could--if it succeeded in destabilizing, cutting up, or controlling Pakistan--give rise to anxiety within the countries of the region, beginning with India, which is interested in weakening Pakistan but not in having it disappear for the benefit of a third party; this would also mean a direct collision with the United States. The only remaining course would be to negotiate--but about what and with whom?

If the Soviets are in theory favorable to negotiation, it is above all because they wish to impart an international legitimacy to the Kabul regime. For the Soviets, the indirect negotiations between Pakistan and Afghanistan--organized by Cordovez under UN auspices--are merely a prelude to direct negotiations. The USSR has already declared itself prepared to withdraw its troops as soon as the reasons for the intervention have disappeared. These reasons are simply expressed as the existence of an armed opposition to the Kabul regime, an opposition which that regime is too weak to contain. Whether this armed opposition is sui generis (something that is obvious to every observer at the scene) or whether it has been induced by American imperialism (the official thesis of the USSR) does not alter the situation in any way. As we have seen, it is the military reinforcement of this resistance that prevents the Soviets from managing the conflict within the limits of time and investment that they had established for themselves at the outset. How can the Soviets obtain the cessation--or at least limitation--of this external support? By inducing Pakistan to negotiate directly with the Kabul regime. In exchange for recognition of the Durand line as the international boundary, Pakistan would block the passage of any supplies to the Afghan resistance. As soon as the regime was consolidated, the USSR would withdraw its troops. It is what Selig Harrison calls the "exit through Finland." But would it be "Finlandization"? One forgets that Finland is not a communist regime, whereas the Kabul regime is a communist regime, and the sovietization of Afghan society has progressed to the point that it is impossible to see how an international agreement could halt it--something that only armed struggle is able to do. It is not a Finland that we see, but an Outer Mongolia. Indeed, Pakistan has every reason to be anxious in the face of this prospect: given the durability of the Soviet-Indian alliance, Pakistan would be caught between two allied states, one of which it would paradoxically have helped to stabilize. The communist regime in Kabul is a nationalist Pashtun regime, which maintains a claim on the Pashtun and Baluchi areas along its frontier; (Footnote 3) (In the Kabul government, the "Ministry of Nationalities and Tribal Affairs," replacing the former "Ministry of Frontiers and Tribes," has the explicit task of attending to the Pashtun tribes residing in Pakistani territory) under these circumstances, any guarantee of the Durand line would risk becoming a mere scrap of paper. Finally, the United States--having nothing more to expect from a Pakistan that had in fact become neutral--would have every reason to play the Indian card.

A Finland-style solution is nevertheless not utopian. The proof is the fact that such a solution did prevail for more than 20 years. From 1956 to 1978, Afghanistan maintained with the USSR a relationship of this type (it was a noncommunist regime, with alignment in the area of foreign policy) guaranteed by pledges made to the USSR to prevent any American threat (no foreign bases, but above all, control of the army by the Soviet advisers). It was not President Daud's 1976 yearnings for independence that could have changed anything; for as we have said, the Americans have always excluded Afghanistan from their security zone and have never taken the place of the British in the "Big Game." (Footnote 4) (Although there was in fact a desire for reorientation on President Daud's part in 1976, as he sought support from Riyadh and Tehran, one cannot say that the United States was attempting at that time to entice Afghanistan into its orbit. The Riyadh-Kabul-Tehran axis was stillborn in 1978, inasmuch as it was not to those countries that President Daud turned for the purpose of diversifying its military assistance, but rather to India. It was not until the assassination of its Ambassador Dubbs in February 1979 that the United States stopped its economic aid. Likewise, it was only after the Soviet invasion that the United States gave arms to the resistance. It is hard to imagine the CIA of President Carter striving to oust Soviet influence before 1978 in a country in which the United States had never shown any interest, not even in the worst moments of the cold war (when it refused military aid in 1954)) Abandonment of the Afghan resistance by the West would not make it possible to create the conditions for a return to Finlandization, but it would enable the Soviets to achieve their real objective: the "Mongolization" of Afghanistan. Why should they desist from sovietizing a neighboring country if there is nothing to prevent them from doing so?

A genuine Finlandization (if these words have any meaning) presumes therefore that the Kabul regime will cease to be communist, even if the USSR does retain a certain number of guarantees. This new regime will not be credible in the eyes of the Pakistanis or the Afghan population unless it includes the resistance, for otherwise its fragility will make a new Soviet intervention probable, because the resistance--having held out for 6 years under precarious conditions--will not surrender its arms merely on orders from abroad. To the USSR that means two things: negotiate with the resistance, and renounce the doctrine of the irreversibility of the march toward socialism. Although the former is not impossible, the latter--renunciation of the Afghan revolution--would indeed be the "miracle of the century," as General Zia said on the subject of a possible Soviet withdrawal. It would be the end of the Brezhnev doctrine. There have been precedents for it, however: there was Austria, but especially there was Iranian Azerbaijan, where a people's republic on the Soviet frontier was actually created and subsequently abandoned.

Afghanistan, and the American Proposals for Regional Negotiations

In his speech before the UN General Assembly, President Reagan suggested that negotiations be opened concerning five regional conflicts (Nicaragua, Angola, Ethopia, Cambodia, and Afghanistan), initially among the local parties and subsequently between the United States and the USSR. The case of Afghanistan, however, presents a substantial difference from that of the four others: in Afghanistan, the USSR is a "local party," and in the view of the Republican administration there is no similarity between Afghanistan and Nicaragua, where the United States is not a local party. The United States has accordingly invited the USSR to deal directly and simultaneously with the Afghan resistance and the two other local parties, Kabul and Islamabad; the aim would accordingly be to hold four-way negotiations. In exchange for this recognition of the Afghan resistance, the Americans are prepared to end their military support. In order for the American plan to succeed, it will also be necessary for the Afghan resistance to exist as a political entity. Hence the American pressure to compel the resistance fighters to create a superficial alliance; hence also the breakthrough of the resistance onto the international scene, with the presence of a delegation behind the scenes at the UN General Assembly. This strategy is all the more possible in that the resistance is displaying an unexpected military and political dynamism in the very interior of the country, beyond the scope of American influence.

But can such negotiations even be initiated? The fact is that the whole world has a stake in bringing them about. The Soviets, because in the absence of a military victory they have every reason to play the "slow decay" card, in the expectation that the American aid will in time dwindle and that their tactic of slow attrition will be effective; as in Vietnam, the aim of the negotiations would be to obtain U.S. disengagement. The Pakistanis, because any negotiations would reduce the pressure on their border. The resistance fighters, because they will in this way obtain legitimacy. The Americans, because if the negotiations fail, their military aid will be justified, whereas if the negotiations do produce results, they will view a Finlandized Afghanistan as a better barrier to Soviet expansionism than the constant presence of an army in the field, even if that army's operations are often difficult. The only losers are the Kabul regime, in that it would be placed on the same plane as the resistance; but as always, its opinion will hardly be solicited.

The war in Afghanistan will in any case be a long one, but the military escalation and the dynamism of the resistance will compel the Soviet Union to react either by making a greater commitment (and becoming mired down) or by engaging in negotiations, whether sincere or dilatory in purpose.

10992
CSO: 4619/27

HEZBOLLAHI LEADER, SPOKESMAN VIEWS LEBANESE INTERNAL AFFAIRS

Tehran KEYHAN in Persian 9 Feb 86 p 20

[Interview with Hojjat ol-Eslam Seyyed Ebrahim ol-Amin, date and place not specified]

[Text] Hojjat ol-Eslam Seyyed Ebrahim ol-Amin, spokesman for the Lebanon Hezbollah, gave an exclusive interview to KEYHAN in which he answered questions from our correspondent concerning the Damascus tri-lateral agreement and Lebanese domestic conditions. The text of the interview is presented below.

[Question] Today a great many opinions are being expressed concerning the Damascus tri-lateral agreement. We would like to know your views as Hezbollah spokesman concerning the tri-lateral agreement and the events subsequent to it.

[Answer] Actually, there is not much talk today concerning the agreement itself. Most of what is being said today concerns whether or not the agreement will succeed or fail. The events in East Beirut especially substantiate this claim. Clearly, those events are seen as having been precisely aimed at defeating the agreement and preventing its implementation. Moreover, the preservation of the goals of the Maronite Christians in Lebanon was the goal of other events in the Christian sector of Beirut. To defeat all of the efforts made by both parties to the conflict towards concluding the Damascus agreement is seen as another of the goals of the events of East Beirut. Even now the parties who signed the agreement feel that their efforts in this area have failed, and are now putting the effort they had put into implementing this agreement into the attempt to overthrow Amin Gemayel. Our view concerning these events is that basically one cannot rely on the Maronites or the solutions they propose. In reality their proposals are nothing more than political maneuvers and time-wasting. They have a deep relationship with American and Israeli policy-making in the area. On the domestic Lebanese scene, they are undoubtedly the perpetrators of heinous crimes. They have spilled the blood of innocent Muslims without any provocation, and these killings included even the Christians themselves. They are considered the cause and the basic impetus for the continued tragedy in Lebanon. Furthermore, they were the ones who invited Israel to Lebanon to occupy it and overthrow the Muslims. In view of this, no agreement can be reached with them. What is profitable today politically and militarily for Muslims is to enter into a military process with the aim of eliminating their political and military influence in Lebanon.

In reality the Maronites of Lebanon consider this country a primary base for Middle Eastern Christians, and they plan to build a new political system to better achieve this desire. Despite the superficial differences between their organizations, their primary positions are actually identical. For example, although the views of former president Sulayman Farangieh and Lebanese Forces commander Ili Habiqah are aligned and at variance with the views of other Christians, they hesitated concerning several parts of this agreement and dug in their heels on reserving the presidency for a Maronite. It is therefore clear that their efforts are aimed at keeping the Lebanese political system under the dominion, influence, and authority of the Maronites.

[Question] What is your view of the decision made by both parties to the Damascus agreement to boycott Amin Gemayel?

[Answer] It is our view that this is an international political game. Although the two parties mentioned above have established a propaganda boycott of Gemayel and created an opposition front with the participation of Christian forces such as Ili Habiqah, we can see that there is no real intention for real combat with Amin Gemayel and the Lebanese regime. We call upon everyone to get into the real trenches of the fight against Gemayel's regime, and when this happens we will be in front of the movement, spearheading the resistance. I believe, however, that the signatories to the agreement are firmly committed to the American plans. Six days ago one of them named Karim Baqraduni said that they would not allow America and France to engage in any kind of major armed conflict in Lebanon. America announced, through its Middle East officials, that it advises the signatories to the tri-lateral agreement to avoid military operations.

For this reason, in the final analysis we call upon them to take part in real combat, because without war, a confrontation with the Maronites, and the elimination of their presence, Lebanon will not see peace.

[Question] As a political and military organization, the Hezbollah have a special view of the Lebanon crisis. Do you believe in separating the Lebanon crisis from the Palestine crisis?

[Answer] While no one can separate the Lebanon crisis from the Middle East crisis, we definitely do not accept this separation. The Middle East region is considered an area for American influence. In other words, America has a network of influence in this area. On this basis, any resistance to America's plans in one country in the area will be reflected throughout the region. America, wishing to divide the region, wants the nations of the region to fight. America wants to portray the Lebanon crisis as isolated within the framework of this country. It does not want other nations to know about this crisis. It even wants to portray Israel's invasion of Lebanon and the Islamic resistance as a domestic matter. It has even adopted this procedure with regard to Iran, portraying the revolution as Iranian. This is an effort to cut the ties between the nations of the region, which are based on Islam, and to create difficulties between them in the name of nationalism. We do not want this separation to be achieved, because we are part of the nation of Islam. America is itself aware of the fact that our fight in Lebanon against it is part of the fight of the nations of the region, and we will fight America everywhere in the area and the world, because America is not only the enemy of Lebanon and the Palestinians, it is the foremost enemy of all the Muslims of the world. Therefore, in view of the above, we do not see the Lebanon crisis as being separate from the Middle East crisis. The source of the issue may become clear if we remember that American officials said concerning the disgraceful agreement of 17 May that they believed that in the event it was successful America's plan for the entire region would succeed.

[Question] The Lebanese Hezbollah consider the establishment of an Islamic republic in this country one of their basic efforts. What have the Hezbollah's political and military efforts been so far in order to accomplish this?

[Answer] The establishment of an Islamic republic as a political system which brings about social justice and human dignity is the hope of every Muslim. Of course we cannot discuss every plan which has been laid out, but I will mention two issues. First, anytime we engage in military struggle with Israel, the possibility of establishing an Islamic republic in Lebanon is significantly greater. In other words, when Israel is impotent and weak, the practical reality for the implementation of this plan is greater than before.

Therefore, one of our plans for establishing the Islamic republic is designing a plan for continuous resistance against Israel, and entry into the military process against the Zionist nation.

Second is the elimination of the Israeli Maronite presence, which is the fulcrum for Israeli pressure, from Lebanese political and military affairs.

The important thing is that we must make increased efforts to reduce conflicts between Muslims, because the plot is more extensive than we think. With its constant plots, the Zionist regime is diverting Muslim attention away from the basic issues and their resistance against the Zionist regime itself, drawing them into secondary issues and quarreling among themselves. A great uproar in Lebanon came in the wake of these same plots. The war of the camps, the war of the garrisons, and the Tripoli war are in this same category. We in the Hezbollah have given many warnings against getting involved in these conflicts in Beirut. Of course in a peaceful situation without bloodshed or conflict among Muslims (and the Islamic republic has made great efforts to create this atmosphere) we are in a better position to deal with the two issues above, engage in direct confrontation with Israel, and eliminate the Maronite presence in order to settle affairs. In this event, and with the realization of these conditions, we will be able to implement our desires.

[Question] To what extent was the visit by the joint Hezbollah and Amal Movement Council to Iran successful in calming the situation and establishing harmony?

[Answer] One of the great goals achieved during the visit by the joint council to the Islamic republic is the defeat of plans to sow discord among Muslims. Since that visit there have been no disturbing problems, but since this harmony has been established greater fear than before has been established in the camp of the enemy.

[Question] Has the Hezbollah camp in Biqa' come under pressure?

[Answer] We are following a clear line, and this is one of active political and military confrontation with our prominent enemies such as the Zionist regime and its agents in Lebanon. In this regard there have been no difficulties of this type for our camps in the Biqa' valley.

[Question] After it achieves its preliminary goals of driving Israel out of all occupied lands in Lebanon, will the Islamic resistance continue its fight against the Zionist regime within the occupied lands?

[Answer] Those who intend to fight Israel can continue this fight in various ways and under various conditions, but those who do not wish to fight Israel are posing problems and obstacles which obstruct the continuation of their fight. Even when Lebanon was occupied by the Zionist regime, conditions for fighting this occupation were very difficult and at times impossible. Some people even considered it useless. The Zionist regime was thus able to continue its incursion for awhile and to separate the south from the rest of the country. The Zionist regime believed that with a cutoff of the lines of communication and supply, resistance in the south would stop. To the contrary, however, the more Israel tried to isolate the south, the more popular resistance increased and intensified.

If we have the honor of continuing the fight and to become martyrs in so doing, we will find a way to achieve this and we will specify it. Of course there are specific methods for this purpose which have already been used and may be used again, such as holy war-style fighting and suicidal operations. In this regard we must add that present conditions offer the best opportunity for continuing the resistance and the armed struggle against the Zionist regime. The internal situation in the Zionist regime is very chaotic. The Zionist regime's defeats in its efforts to take security measures in southern Lebanon have done great damage to this regime's capabilities, and have intensified the domestic crisis considerably. Consequently, its domestic situation is very unstable, and we do not think such an opportunity will appear again.

Circumstances for Muslims today are very different from what they were three years ago. Today a climate for the best sort of war and resistance has penetrated the people. Of course on the other hand there are those in Lebanon who stress impotence, weakness, and defeat, fomenting fear in the hearts of the people, ultimately creating a suitable climate for Zionist aggression in the minds of the people. It is natural, however, that with the warlike spirit of the Muslims, ultimately they will not succeed. We believe that whether Muslims fight or not, the Zionist regime will act against them.

Whatever the motivation or vain pretext, the aggression of the Zionists will continue in various forms, such as shelling border areas or air attacks. It is therefore very natural that we fight Israel, because whether we fight or sit on the sidelines and not fight, the Zionist regime will act and take measures against the Muslim presence.

On the one hand, the war with Israel is not purely a Lebanese affair. Israel is being fought as a regime which has usurped authority and occupied Jerusalem, driven the Palestinian people from their lands, and which acts as an American tool which exists for the purpose of striking out at Muslims in the area. This fight must be conducted by Muslims all over the world.

[Question] To what extent has the unity of the Hezbollah with other Islamic groups expanded, and how extensive is the Hezbollah's military and political cooperation with these groups, especially the Islamic Unity Movement?

[Answer] We have said that the war with the Zionist regime and the fight with Lebanese Maronites establishes our cooperation with Islamic groups. Outside the context of war with the two entities above, there would be no cooperation. In our war with the Zionist regime, our weapons, our fortifications, and our war will be a joint effort. We need no other coordination than this, and we think that this framework can be a suitable one for unity between Islamic groups. We are cooperating extensively with Muslim brothers, especially Sheikh Sa'id Sha'ban, leader of the Unity Movement, in order to establish a government of God and to fight the Zionist regime.

[Question] Do the Hezbollah see a difference, in their views of the Amal Movement, between the leadership and the membership?

[Answer] So far there has been no indication of a difference between the leadership and the membership. We can say nothing more than this concerning this matter.

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IRAN

AMAL LEADER'S VIEWS ON LEBANESE SITUATION, MIDDLE EAST

Tehran KEYHAN in Persian 9 Feb 86 p 20

[Interview with Abu Hesham (Seyyed Hoseyn Musavi), date and place not specified]

[Text] [Question] What is your position, and how do you assess, the agreement on events in East Beirut, and the boycott of Amin Gemayel?

[Answer] Concerning the tri-lateral agreement signed by some of the paramilitary forces, we have fully expressed our ideas and views to the Muslim people and those who are in some way involved with this agreement. In reality the Lebanese Maronites are considered the agents for some of America's plots in the region. Moreover, they act consistently to procure the Zionist regime's interests. We have always advised Muslims not to accept any proposals or engage in any talks with the Maronite Christians aligned with Israel, because they never make proposals unless they are caught in a difficult and intricate situation. In reality impotence has forced them to advocate peaceful solutions. They are betting on time, and they are using it to reconstruct their power. America supports them with all its power. From the other side, however, the believing children of the nation of Partisans of God, with tireless effort, have defeated America and France and handed a bitter defeat to the Zionist forces. Thus all the foreign forces who were considered the basis for the reliability and credibility of the Christian side have fled Lebanon in disgrace. They have lost their fervor and tolerance for fighting the positions, inspired by Imam Hoseyn, which have been taken by the children of the nation of Partisans of God and the children of the Imam of the nation. Therefore, just as we have said, they view time as a valuable factor. For this reason, there has been a reversal of their positions. They are announcing that they are looking at social solutions for the Arabs to resolve the Lebanese crisis, and they acknowledging a strategic Syrian security in Lebanon. Thus Ili Habiqah appeared as the representative of this phenomenon and signed the agreement.

The text of the tri-lateral agreement includes concessions granted to Muslims. That is, the Christians are giving up some of their insignificant privileges to the Muslims. For example, some of the prerogatives of the president, who, also according to this Christian agreement, will be a Maronite, will be reduced. Moreover, measures have been adopted so that after 10 or 15 years the political apportionment of government posts among ethnic groups will be eliminated. That is, it will no longer be necessary to elect a Maronite president, a Sunni prime minister, and a Shi'ite speaker of the Majlis. In general, as has been said, in the text of the agreement there have been some changes for the benefit of Muslims. The important point, however, is that these changes will not be immediate and quickly implementable, but that this must be done in the course of a process. Christians thus think that conditions will arise in the future which will prevent the attainment of these privileges, and they will thus be able both to execute political maneuvers and use time to their advantage. Moreover, despite the the loss of considerable privileges which could meet the demands of Muslims, and despite the weakness of the text of the agreement, one sees that Christian circles, the spiritual presidency of the Christians, and the Vatican, which supports Lebanese Christians, have expressed their opposition to the agreement signed with Damascus and begun a formidable war against Ili Habiqah, who signed the agreement as representative of the Christians. Ultimately they were not able to drive him from the Lebanese political scene. On this basis, and in accordance with Koranic concepts, we have anticipated the reality of the future, because God has forbidden us to cooperate with people who have chosen the path of infidelity.

Even now some political leaders are proposing a plan for compromising with Amin Gemayel. In this regard it must be said the Amin Gemayel will not step aside because of political remarks, because prejudiced Christian circles, who operate under the Vatican's leadership, support Amin Gemayel, and they will support him against these remarks. We call for the overthrow of the Kita'ib regime with military means, because this regime will not fall because of a political uproar and commentary. Only through military force can the Phalangist regime be overthrown. Muslims must arise in cooperation to achieve this demand. Oppressed Christians can also join in this cooperation. Of course, when I speak of oppressed Christians, I am not talking about Ili Habiqah, because he is a Zionist. Thus, with the cooperation all, we can overthrow a regime which was installed by Zionists, along with the confessional political system which took control of affairs by means of the French in 1943.

[Question] What are the elements of your opposition to the Amal movement?

[Answer] We have no opposition to the Amal movement. The Amal movement, which was established by Imam Sadr, is actually considered a movement for Islamic thought. In other words, an Amal movement which acts and moves apart from Islamic thought and Islamic ways of thinking is not a movement that was founded by Imam Sadr, but rather some other movement. The Amal movement is an Islamic thought movement which has close ties with Islamic leadership. Therefore, if the Amal movement is not aligned with the Islamic revolution and the leadership of the Imam of the nation, it has distanced itself from the goals and primary motivations specified and stipulated by Imam Sadr.

Therefore, if the Amal movement is not Islamic, it is another Lebanese movement like other existing movements, because Imam Sadr repeatedly and fully explained and stipulated the ideas and Islamic thought of the Amal movement. For this reason, if such a movement does not declare its allegiance to the leadership of the revolution, how can it be the same movement that was founded by Imam Sadr?

Our basic disagreement is actually with some of the high-level leaders of the Amal movement, who may have other views on the Lebanese crisis. We have no disagreement with the lower elements of the Amal movement. Believers in the Amal movement fight shoulder-to-shoulder in southern Lebanon with Hezbollah brothers against Zionist forces, and there is always mutual understanding between us. Our political differences are with the high officials of the Amal movement, not with its lower elements.

[Question] Are you therefore saying that there is a difference between the leadership of the Amal movement and its rank and file?

[Answer] Absolutely. Some members of its political office do not adhere to the line of the Islamic revolution, and our differences are with these people. For this reason the rank and file and lower leadership of the Amal movement are in harmony with the Islamic revolution, and we therefore cooperate with them.

[Question] As a political and military organization, the Islamic Amal movement has special views on the Lebanon crisis. Do you subscribe to a separation between the Lebanon crisis and the Middle East Crisis?

[Answer] First of all, the Islamic Amal movement is considered a part of the motion of the nation of Islam. That is, our armed youth are part of the armed youth of the Hezbollah, and our ideas and aspirations are those of the Hezbollah. Moreover, our struggle against the superpowers and the Zionist regime is made in the framework of the struggle of the Hezbollah.

Concerning the separation of the Lebanese crisis from that of the Middle East, however, we believe that these two crises are part of a single problem. In the Middle East even now there is a battle on two fronts between the Truth and the Vain. I therefore cannot accept a separation between the Lebanon crisis and that of the Middle East, because the Lebanese crisis is seen as a part of the battlefield for these two fronts. In other words, this is like asking if there is a difference between the Muslim combatants in southern Lebanon and Sulayman Khatir in Egypt. Therefore, if there is a difference between Hasan Qaysar, a combatant who killed the Zionist governor in Sur, with the combatant who recently turned his machine gun on the West Bank Zionists, then the Lebanon crisis can be separated from the Middle East Crisis. In reality, all of these fighters are pursuing the same objective.

Their war is one war. Therefore, the Lebanon war is part of the overall Middle East war. Furthermore, it is the arena for some of America's political and military attacks against the Islamic revolution of Iran directed against the children of this revolution in Lebanon.

[Question] Will the Islamic resistance in southern Lebanon continue its operations in occupied Lebanon?

[Answer] This is our decision. If we do not obtain the resources necessary for this we will be called to account before God. The Islamic resistance has achieved luminous victories and proved to the people of the world that it is the Islamic movement which is the fundamental agent for these victories.

Even now, for various reasons, there are difficulties facing the Islamic resistance. Of course the number of operations has declined, but enough operations are being carried out. The decision has been made, however, to continue fighting in accordance with the words of Imam Sadr, even if it is by tooth and nail, until the Imam of the nation's command to wipe Israel off the map is achieved one day. If we cannot achieve this goal, God willing our children and grandchildren will reach this sacred objective.

[Question] We have learned that the general conference of the Amal movement will be held next year. What are your predictions for future changes in this conference?

[Answer] Of course, due to the changing situation in Lebanon, it is not clear that this conference will be held. I cannot predict major changes. Of course there may be blackmail aimed at obtaining higher positions in the leadership. Of course this is the nature of party conferences. One must therefore await developments.

[Question] Is the Amal Islamic movement in political and military harmony with other Islamic movements such as the Tawhid Islamic movement?

[Answer] As I said, we Muslims are involved in a single war. Our positions are one with those who follow and support the Islamic revolution and who uphold the banner of Islam.

Sheikh Sa'id Sha'ban is a prominent and crusading clergyman of Lebanon, and coordination and cooperation with him continues in order to confront the Phalangist enemy in Lebanon and the satanic forces of America and NATO. In general, Muslim clergymen all follow the line of the revolution, and we cooperate with them.

[Question] If the Damascus agreement between the Islamic Tawhid movement and the parties supporting Syria is not implemented, will you align yourself militarily with the Tawhid Islamic movement?

[Answer] There is little likelihood that this agreement will be defeated. We have the responsibility of defending all Muslims. God has given us success in this responsibility in the past, and we have been able to prevent greater losses between the Muslims of Tripoli. Our intervention in the thick of the attack on Tripoli, supported by the Islamic revolution, was very profitable, and we will defend Muslims in some way whenever they are attacked, whether in Tripoli or elsewhere, and we ask God for success in this.

[Question] To what degree was the joint Hezbollah and Amal movement council's meeting in Lebanon successful?

[Answer] Agreement was reached on various issues. For example, agreement was reached on armed resistance against Zionist forces in southern Lebanon coordinated between Hezbollah and Amal combatants, but so far the important parts of this agreement have not been implemented. In my view, however, this only requires the removal of sensitivities between the Hezbollah and the Amal created by the enemies of Islam. Moreover, the very talk of removal of the elements of disagreement is in itself considered a major accomplishment. God willing, we will pay no attention to the negative issues that sometimes appear. God willing, with the great efforts of the Islamic republic, we will strive to bring all believing youth, whether in the Amal movement or in other parties, into the Islamic revolution.

[Question] What is your view of the Amal Islamic movement, the executive council, and how to organize them?

[Answer] The Amal Islamic movement was forged in the movement of the nation of Partisans of God. There are no special organizations or leadership in the movement. Our operations are social and cultural in nature and are executed by the offices of the Islamic Amal movement. We call upon all Islamic movements and parties to be forged, like the Islamic Amal movement, in the national Hezbollah movement.

[Question] Do you mean that the Amal Islamic movement has no military arm?

[Answer] No, it has no military arm; its military portion has been merged with the Partisans of God.

[Question] What is your view of Iraq's imposed war against Iran, and what is your message for Iran's nation of Partisans of God?

[Answer] As a Muslim, I consider Iraq's war against Iran an imposed war, imposed on the Islamic republic by the imperialist superpowers (America and the Soviet Union). The superpowers of the world, fearing that the Islamic revolutionary movement would mobilize the people of the Middle East and their awareness, ultimately seriously endangering the interests of America and the superpowers in the area, charged Saddam Takriti with stopping and detaining the revolution.

The Islamic republic's war is a holy war which is being fought to defend Islam. The combatants of Islam are nobly and bravely lined up against the forces of evil; we have no doubt that the war will ultimately end with a victory for Islam. God willing, the Islamic revolution will be able to remove this obstacle from its path, and its movement will continue towards the liberation of Jerusalem, and unite and mobilize the people of the Middle East in order to achieve this goal.

On the occasion of the ten-day Fajr observances, we offer our congratulations to the combatants of Islam, and we ask God to prolong the life of the Imam of the nation.

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IRAN

CONTRACTS CONCLUDED WITH ITALIAN, AUSTRALIAN, BRITISH FIRMS

Beirut AN-NAHAHARARAB REPORT & MEMO in English 20 Jan 86 p 36

[Text] ▶ Italy's Saipem and South Korea's Daelim Industrial Company have received letters of intent for the laying of pipelines to connect Iran's southern oil fields with the IGAT-2 gas line and the line with Taheri on the Gulf. The contracts, which will take effect on receipt of down-payments, are together worth $260 million. They are to be completed in seven months.

Saipem's $150 million order is to build a 56-inch-diametre, 102-kilometre line from Gachsaran to IGAT-2 at Nourabad. As part of the contract, the stretch of IGAT-2 between Nourabad and Kangan is to be adapted to carry oil. Daelim whose order is valued at $110 million will install a 48-inch, 50-kilometre line between Kangan and Taheri.

▶ Van Ommeren Australia has agreed on a contract to supply Iran with 14,000 tonnes of frozen lamb. This follows an early-1985 barter deal for 12,000 tonnes of mutton, valued at $15 million. The company is an affiliate of the Netherlands' Van Ommeren International Trading.

▶ A $40 million order to supply tractors and tractor kits has been won by the UK subsidiary of Canada's Massey-Ferguson. The engines for the tractors will be provided by the UK's Perkins Engines Company, which is owned by Massey-Ferguson.

The deal is being financed by a six-month letter of credit (LC), which will be discounted by a syndicate of banks. Lead manager of the syndicate is Iran Overseas Investment Corporation (Iranvest). There are eight participants: Lloyds Bank, Bank Saderat Iran, Bank Melli Iran, Bank Mellat, Bank of Oman, Habib Bank, National Bank of Pakistan and Allied Bank of Pakistan.

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CSO: 4600/253

GOODS, SERVICES INDEX INCREASE 4.4 PERCENT

Tehran KEYHAN in Persian 26 Jan 86 p 3

[Text] The consumer goods and services price index in Iran's urban areas rose 1.9 percent in the month from 21 November to 20 December 1985 compared to the previous month. Compared to the same month last year, the index shows a 4.4 percent rise.

The index's average over the first 9 months of the current Iranian year has increased 3.7 percent compared with the same months the prior year.

The Islamic Republic of Iran's Bank-e Markazi Economic Statistics Office announced this while publishing a summary report on the consumer goods and services price index in Iran's urban areas for 21 November to 20 December 1985.

According to this same report, during the month being discussed the foodstuffs group index rose 4 percent overall and was one of the major factors in the rise in the consumer goods and services price index in the country's urban areas. The most important factor in the rise in the foodstuffs price index was the increase in the prices of fresh fruits and vegetables due to a seasonal supply decline, to the extent that it brought about half of the aforementioned index's rise during the month. The rise in the fruits and vegetables price index reached 12 percent.

Another foodstuff showing a sharp price increase was vegetable oils, whose price increased 2 times over that of the previous month due to its supply to the public at trade and manufacturing prices and applying a special price in employee and worker cooperatives. The continuing rise in the price of chicken and red meat was another factor in the general price rise in this period.

The aforementioned summary report in regards to other primary groups comprising the consumer goods and services price index indicates that the clothing group index increased slightly following rises in the prices of various ready-made clothes, spool thread, woolens and wages relating to clothing supply.

In the housing and fuel group, the monthly increase in some construction materials such as glass and jute slowed noticeably, and bricks were sold about 3 percent cheaper than in the previous month. Conversely, the increase in the price of iron (about 15 percent) was marked. Apart from that, residential housing rents rose nearly 3 percent compared with the last period studied. In this group workers' wages showed a slight decline.

In the household goods and services and furniture group, the price of some electrical and kerosene equipment, glassware, spoons and forks, soaps and paper napkins showed an increase, while other prices showed little change.

On the whole the general price level in the transportation and communications group and the medical care group showed a relative stability. In other groups examined, rises in the prices of stationery, fresh flowers, cosmetic and hygenic products were notable.

Compared with 21 November-20 December 1984, the index of the food group rose about 5 percent, construction materials 3 percent, residential housing rents 11 percent, urban transportation and traveling costs 8 percent, health care 6 percent, reacreation, education and study 10 percent, cosmetic and hygenic costs 8 percent and gold coins 3 percent. However, little change was observable in the index of household goods and services and furnishing and in construction workers' wages.

9597/12790
CSO: 4640/213

IRAN

NEW INVESTMENTS IN INDUSTRY EXAMINED

Tehran KEYHAN in Persian 28 Jan 86 p 22

> [Text] Economic service. In the seminar on the 1365 [21 March 1986-20 March 1987] plan and budget of the organization for the expansion and renovation of Iranian industries, the chairman of the board of directors of this organization explained the situation of the national and production resources of the units, the goal of production based on prices, the use of resources and overcoming the limitations to be able to engage in planning, to use the ratified implemental systems and industrial supervision, to evaluate the work of the managers of factories, for new investments, for the closure of some units, to reduce the currency allocation, for partnerships with the banking system in industrial projects, for the management situation of the units, to handle the problems of participation in contracts, the role of the export system of the country in industrial exports abroad, the ownership of units, the training of managers, and rectifying the financial composition of the payment companies.
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> The first speaker for this seminar was Engineer Behzad Nabavi, whose views were published in KEYHAN during the past two days.
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> Following the issues raised in the seminar today, you will read the text of the speech of Engineer Baqerian, the chairman of the board of directors of the organization for expansion.

In a part of his speech, he said: As you know, the conditions in 1362 [21 March 1983-20 March 1984] and the generosity in allocating the financial production resources of the organization for expansion have gradually come to an end, and we now face a new situation.

We have a hard test ahead of us, but it is not too troublesome. What we must do with regard to the managers of the units under our control is to point out and emphasize a tool which, if it is given its actual value and dealt with more fundamentally, will bring about better results, even with the new program.

One of the new tasks of the movement of the organization in the new year is to clarify the meaning of economic movement within the organization. Naturally, from here on, we will not be given the amount of currency and resources we were given in the past. We must have a precise understanding of all of our resources, identify the limitations, and achieve our desired operations within this framework. This is, in fact, possible with planning, which can be used in regards to shortages.

Therefore, planning will be one of the major, fundamental goals of the organization for expansion in the coming years. The daily actions must be put aside; we must not hang "daily plans" in our units in place of planning. We must fight the new conditions with decisive beliefs and eliminate daily death from the collection of the activities of the units under our supervision.

Industrial Supervision Systems

Engineer Baqerian then added: In the area of planning, the brothers must have a precise understanding of their resources and know the limitations. Planning will not be done except for economic units equipped with a series of tools, which consist of ratified implemental systems and industrial supervisory systems.

If we want to evaluate our economic movements, we need a series of indices and standards and these indices require a series of industrial supervisory and implemental systems. This is a problem and all of the units under our supervision have some problems in various areas.

Thus far, in very form possible, the organization for expansion and the ministries have established this complex and started production. But now that we are questioning the price of production, we must necessarily place more importance and value on the other aspects of the issue.

Therefore, in our movement next year, the industrial systems will be emphasized and will be a focus of attention as a fundamental goal. We make an agreement with you. When the affairs are managed accordingly, plans are made, and your budget plan can be a main factor in this movement and the attention that you pay to it.

I must say that in the movements that have started in the deputy offices of the organization for expansion, on the basis of the plans, we will deal with all the production and developmental funds and we will evaluate the work of the managers in the future on the basis of these indices and tools.

The Production Composition of the Units

Engineer Baqerian also said: In the second phase of our work, we must study the limitations announced to us as the new conditions to see to what extent they affect the composition of the production in our units and how some units are closed, how some move towards technological activities, and how others lean towards implemental organizations. If they announce this to us, we will ultimately succeed in obtaining an economic operation for all the activities of the units under our supervision, which will result in acquiring new sources for the other responsibilities of the organization.

It was said that through economic operations, whatever we gain should be used for new investments. Of course, the increase in the investment power in heavy industries is one of the goals of the organization for expansion.

This issue requires resources and, as you know, the industrial composition that the Islamic Republic has inherited was neither a sound nor a complete composition. In accordance with the tasks imposed on the industrial system of the country before the revolution, workshops and factories were created.

Therefore, if we want these chains to be completed and we want to have an in-depth movement and establish production units, we need heavy investments.

According to the plans made in '64 [1985-86], $600 million in currency should have been allocated to us for future investments in projects that have gone through the investigation stages. This could be technically and economically justified and we could move towards rial and currency investments.

But, considering the explanations of Mr Nabavi, they may not give us more than $170 million, with which we can only complete the unfinished projects. Hence, considering the limitations in regards to high investments or procurement of domestic production resources, we must plan to suffer the least amount of damage next year.

Here the factor of decreased industrial dependence on foreign countries and the necessity for strong investments, on the one hand, and the reduction of the financial resources of the organization, on the other hand, are at issue.

If previously we were given $2.4 billion in currency, we had something like 450 billion rials in production value. Now that there is a reduced level of currency, naturally, production will decrease in the organization for expansion, considering the level of cash flow and rial resources. And if we are allocated a proper currency from formulas that were mentioned, such as the revolution decade plans, we need a great deal of financial resources in rials to be able to accomplish something.

The policy has been regularly announced by the authorities of the Islamic Republic that the banking system, in order to circulate its cash flow, must participate in the industrial system. Considering factors such as the high capacity for the absorption of investments in the organization for expansion and our potential expertise, experience and rich economic support, this can be a very attractive factor for the banking system of the country to come to our aid in the area of industrial projects. We expect the brothers to deal with this issue actively. Naturally, the banking system of the country has its own language, standards and particular indices for participation in industrial projects and the units must, considering the developmental projects, be equipped for this.

God willing, we will be able to make up for this cash flow weakness in investment, which is one of the necessities of the heavy industries in the country. With the priorities of our production units, the necessary currency will be allocated to us.

Industrial Production is the Support for Economic Independence

In the area of increasing production in the heavy industries, Engineer Baqerian then said: We say that if a country wants to succeed in becoming economically independent in the true sense of the word, the way is to place value in the area of heavy industries production. To follow up our problems requires national will and much effort on the part of the ministry.

All the needs of the economic sector, including the services in regards to production and fundamental affairs, come from the heavy industries units and, therefore, we seek this assistance because all of our units have been designed to equip and provide for the needs of the large developmental projects and are mainly for providing the essential needs of the country.

We expect a national determination to be created in the organizations which are our implemental arm and for orders to be placed with us so that we can make long-term investments.

This is one of the fundamental points and despite the fact that the Ministry of Heavy Industries emphasizes it, it is not sufficient.

In this connection, we are under a lot of pressure to prove, firstly, that we are able to work. Then, when we have proven it, they compare us with the foreigners. And later, when they give us the work, they do not provide us with the same conditions that the foreigners enjoyed. In other words, the contractors and manufacturers do not deal with us as they have done with the foreign companies that they welcome. And no matter what we say, the response is that in such and such a case we ruined the work. The answer is clear: We are heirs to such a complex problem, with these resources and limitations.

For native industries to be established requires support in the implemental organizations and the help of the government. The managers of the implemental organizations of the government are generally cooperative; but when we reach the peripheries of this organization, we face problems.

So far, the government has provided the necessary support, but we would like this support to become stronger and more constant and we would like them to allow us not to waste our energies to justify these issues, because we are capable of engaging in production.

Currency Share of Units

The chairman of the board of directors of the organization for the expansion and renovation of Iranian industries then said in regards to the situation of the currency share of the organization:

We expect cash currency from the Ministry of Heavy Industries. To ensure the correct share of domestic resources in the manufacture and production of products depends on cash currency. If you want to omit a few of the items that are imported from abroad and order them from the domestic producers or procure a few items from foreign sellers and various sources through B.T.C. and bartering, you cannot provide sufficient support for production capacity.

Hence, we expect a major part of the currency that is allocated to the organization to be the currency with which we can maneuver and select parts that are economically feasible for us.

You expect the industry to produce and be self-sufficient in production with high technology and quality, we also have expectations for the other industrial organizations and, God willing, we will witness this movement in '65 [21 March 1986-20 March 1987].

Also, concerning the industrial experts, I must say that the country's present export system has not been designed for the export of industrial products. This is a system in which we must struggle for six months to export one minibus. In such a situation, you cannot engage in exports. For industrial exports to be formed requires specific laws, systems and tools.

If a manager is supposed to be engaged in production and stress quantity, quality and other production tools, he must be certain that outside the unit also a system has been designed that is ready to accept, encourage and facilitate this effort.

Hence, we want a specific bill, plan and legislation to be prepared and sent to the Majlis and to be discussed in the government in order for us to activate the system of industrial exports of the country.

When our units want to pursue exports, the same encouragement that is given the private sector units is not given to the government units.

Elimination of Cumbersome Laws

Engineer Baqerian added: If we want to plan and raise the quality of production and to carry out the thousands of other responsibilities imposed upon us, we expect them to remove those cumbersome laws blocking the government managers.

We see that a new paragraph, note or interpretation is added to the same legislation that we had for managing the units under the supervision of the organization for expansion. In fact, we are gradually losing our able forces.

And in the meantime, they compare our managers with those of the private sector.

Even with all of these limitations, our managers have both increased production and raised quality. For this situation to become permanent would cause a lot of problems for us. In taxes, we are the first. Whatever is calculated first hits the managers of our units; we are expected to pay the most, since the mission of the revolution is somehow imbedded in government management.

We want serious efforts to be made to remove the cumbersome legislation blocking government managers, especially the industrial managers.

In order for the implemental system to support the national industries, a change must be made in its structure; otherwise, the forces and energies that are used in this regard will be wasted.

In conclusion, Engineer Baqerian referred to the circular letter of the '65 [1986-87] plan and budget for the organization for the expansion and renovation of the Iranian industries and said: This circular letter concerns supervising the actions of the companies under our jurisdiction, and on the basis of the same circular letter, the organization will actively work on a series of issues, including the headquarters program of the organization.

This action is translated into implementation in connection with the organization itself. For example, we will work on the issue of the ownership of units and we will also work on the training of managers, support research, and study the ways to rectify the financial composition of the companies with everything in our power.

God willing, with the persistent and diligent supervisory system that we will establish for our units next year, a series of our internal problems and pressures will be removed to allow the managers to engage in production and the responsibilities determined for you.

According to a report by the KEYHAN economic correspondent, in the conclusion of the session, Dr Ja'fari, the deputy minister for planning, explained the topics and issues concerning the circular letter regarding the '65 [1986-87] plan and budget of the organization for expansion and renovation. It should be mentioned that this seminar was a program for the managers of the factories designed to explain the '65 [1986-87] budget under the supervision of the organization for the expansion and renovation of Iranian industries. Issues regarding the policy-making procedure for heavy industries and the situation of the issuance of agreements in principle were discussed and examined in the seminar as suggestions which will ultimately be approved by the council of the deputies of the Ministry of Heavy Industries, in which case, they will be implemented.

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CSO: 4640/220

INCREASE IN EXPORTS TO EAST BLOC COUNTRIES REPORTED

London MEED/THE MIDDLE EAST'S BUSINESS WEEKLY in English 8 Feb 86 pp 17-18

[Text] **East bloc sales reach $ 1,500 million**

Non-oil trade with seven East European countries totalled about $ 1,500 million in the Iranian year 1362 (1983/84), according to the *Moscow Narodny Bank.* Almost all consisted of exports to Iran; trade in the opposite direction amounted to less than $ 70 million. Figures for substantial Iranian oil supplies were not available.

The main supplier was Romania; the leading importer of Iran's non-oil goods was the Soviet Union. The Moscow Narodny figures are the most comprehensive supplied since the 1979 revolution.

Iran: non-oil trade with socialist countries, 1983/84
(IR million)

	Exports	Imports
Romania	27,364	–
Yugoslavia	24,939	165
Soviet Union	19,289	3,477
Bulgaria	17,471	211
Hungary	13,604	930
East Germany	12,899	507
Czechoslovakia	10,057	441
Total	**125,623**	**5,731**

Exchange rate: $ 1 - IR 86 (1983); $ 1 = IR 90 (1984)
Source: Moscow Narodny Bank

Soviet ties improved

Relations with the Soviet Union appear to have been put on a new footing, following early-February talks (MEED 1:2:86). Foreign Affairs Minister Ali Akbar Velayati has been invited to visit Moscow, and the Soviet airline *Aeroflot* is to resume flights to Tehran. A joint commission headed by the economy and finance ministers will follow up economic matters.

The agreements were reached during three days of talks in Tehran between Soviet first deputy foreign affairs minister Georgy Kornienko and senior Iranian officials, including President Khamenei. Kornienko described the talks as "useful, pleasant and constructive;" the Iranians summed them up as "good and successful."

On the economic front, the two countries have discussed plans for two hydro-electric and irrigation dams near the border, oil and gas exploration in the Caspian Sea, and possible resumption of gas supplies to the Soviet Union. The IGAT-1 gas trunkline was shut down in 1980 because of a price dispute.

Oil facilities 'safe'

The government has denied speculation abroad that Iraqi air attacks have crippled oil export facilities. Iran could export more oil than its OPEC quota if it wished to, the Oil Ministry said, but has halved its exports to prop up falling oil prices.

Meanwhile, Prime Minister Hossain Moussavi says foreign exchange reserves are so large that there is no cause to worry about a financial crisis. In any case, the government had prepared contingency plans four years ago to keep the economy going with minimal oil revenues should this prove necessary, he added.

There are no reliable reports from the Kharg island export terminal area about the amount of damage caused by Iraqi aircraft in recent weeks. Some observers in the Gulf say Kharg may have been put out of action in the last week of January, when Iraqi aircraft damaged key pipeline installations on the nearby mainland.

The Iraqi attacks coincided with the announcement in Tehran that oil production was being halved to strengthen oil prices (MEED 1:2:86). There was speculation among Gulf industry and shipping officials that the Iranian announcement was in fact related to Iraqi-inflicted damage to pipelines and a manifold at Ganaveh. However, reports from the Gulf now say tankers are still loading at Kharg, so damage to oil facilities must have been minor and quickly repaired.

On 2 February Iraqi aircraft near Kharg damaged a chartered tanker, which was being used to shuttle crude from Kharg to safer terminals near Sirri island in the southeast. The tanker was the 142,000-ton Torill, flying the Maltese flag but managed by Norway's ***Marine Management.*** The damage might take about 10 days to repair, the company says.

Iran is reported to have finalised one-year term contracts for 1986 for about 700,000 barrels a day (b/d) — including 150,000 b/d for ***Royal Dutch/Shell*** and 60,000 b/d for ***British Petroleum.*** The contracts are on a netback basis, says the Nicosia weekly Middle East Economic Survey (MEES). Negotiations are still going on with Japanese oil traders, who object to Iran's high oil prices.

IN BRIEF

- The government has allocated $ 18 million for the March construction start on the country's biggest locally built dam. The Baroon dam will span the Zang-e Bar river near Maku, close to the borders with the Soviet Union and Turkey. It is designed to impound 120 million cubic metres of water, to irrigate 15,000 hectares in Maku plain and Pol-e Dasht, Energy Minister Mohammad Taki Banki says.

- Agreement has been reached for India to supply iron ore from the Kudremukh mines. The deal will be finalised in March, according to press reports in New Delhi (MEED 25:1:86).

- The wholesale price index rose by 2.8 per cent in the Iranian month 21 December-20 January, compared with the previous month, Bank Markazi (central bank) says. It was 8.9 per cent up on the corresponding month last year.

- ***Iran Tobacco Company*** has invited bids for the supply of 600 tons of yellow and blue paper. Closing date is 13 March.

- ***Machine Sazi Arak*** is considering offers submitted in early February for a contract to supply 63 electric cranes.

- A Yugoslavian company identified as ***Prva Petoljetka-Werk*** has a $ 126,000 order to provide 3,000 hydraulic pumps for transport vehicles; they are for delivery by April. The company says it will be supplying 5,000 geared pumps for construction and agricultural machinery in 1987.

- The Construction Crusade Ministry is sending advisers to Tanzania in the spring to help with livestock breeding and medical services. The plan was agreed during President Khamenei's recent visit to Tanzania (MEED 25:1:86).

- Talks are being held with Dutch officials about possible co-operation with the Netherlands in the use of water resources.

- Several factories have been closed for violating pollution standards, the Environmental Protection Organisation says. A smog alert was issued in Tehran in late January — the state radio asked people with respiratory problems to stay at home; car drivers were requested to use public transport or walk.

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CSO: 4600/252

PAPER REPORTS ON IRAQI-ISRAELI TALKS

LD172156 Tehran IRNA in English 1630 GMT 17 Mar 86

[Text] London, March 17, IRNA--The JEWISH CHRONICLE, a London based weekly with strong links in Israel, has reported the presence of a pro-Iraqi lobby in the Zionist state which supports helping the Saddam regime in its war against Iran.

The journal, in its March 14 issue, says a group in Israel believe that "They should exploit a moment of Iraqi weakness as that country comes under increasing Iranian pressure in the war."

Though in minority, the lobby is reported to be "gaining some ground," says the Jewish paper. "They want to make quiet diplomatic overtures to Baghdad, with a view to encouraging the Iraqis to join an Egyptian-Jordanian axis," reports the JEWISH CHRONICLE. It says a major debate was shaping up in policy-making circles in the Zionist capital concerning a report that the Iraqis had approached Israel for arms.

It may be recalled that FOREIGN REPORT, another British journal, had reported earlier this month that the Iraqis were buying arms from Israel and that the Iraqi deputy foreign minister, Taha al-Qaysi, had a meeting with the Zionist Ambassador to the United Nations Benjamin Netanyahu, in New York recently.

This report was later denied by the Iraqi and Zionist circles but now a prominent Jewish paper has confirmed the existence of links between the Baathists and the Zionists.

/9365
CSO: 4600/254

BRIEFS

ARMS SHIPMENT FROM VIENNA--According to a report from a Voice of the Liberation of Iran correspondent in Vienna, Austria, during the past week four managers of the (Houst) Company, based in the town of (Griest), a suburb of Vienna, have gone to Tehran to negotiate a deal to sell smuggled arms by illegal means. This company in the past had a 16 million Austrian schilling deal with Iran and it allegedly sent 600 artillery pieces to a port in Libya, which in reality were transported to Iran. Austrian Minister of Interior Mr Karl Belcha has issued an order to investigate the matter. [Text] [(Clandestine) Voice of the Liberation of Iran in Persian 1630 GMT 14 Mar 86] /9365

MORE RADIO JAMMING DEVICES ACQUIRED--Devices for jamming radio waves of dissident radios in the regime now have been provided to IRNA, the official news agency of the Islamic Republic of Iran. These devices are a type of transmitter and cost more than $1 million each. These devices (already) exist in several parts of the country, including Azerbaijan-e Bakhtari, (Jamalabad) in Qazvin, (Kukh-e Abdollah) and Khosrowabad in Khuzestan, and the city of (Kerung) in Kermanshah. They were earlier controlled by the radio-television department. As we have said, these devices are capable of transmitting jammer radio waves. They are now at the disposal of the official news agency of the regime. [Text] [(Clandestine) The Voice of Liberation of Iran in Persian 1630 GMT 8 Mar 86] /9365

PETROCHEMICAL PROJECT STOPPED--Tehran, March 16, IRNA--The Iranian Petrochemical Company said Sunday it has stopped the repayment of a loan to a financial firm because its Japanese partner has refused to pay its share of the loan. The Public Relations Office of the Oil Ministry quoted reliable sources in the Petrochemical Company as saying that the decision has been announced to the Japanese partner, the Mitsubishi Company. The two companies have a 50 percent share in the construction of a petrochemical complex in southern Iran and have taken loans on equal basis for the work. The sources said that their "Japanese partners have also refused to meet the assurances that they had given earlier for no reason." [Text] [Tehran IRNA in English 1237 GMT 16 Mar 86] /9365

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END

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17 APRIL 1986

Near East/South Asia Report

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17 April 1986

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HAYKAL CRITICIZES DECISIONMAKING PROCESS

Cairo AKHBAR AL-YAWM in Arabic 22 Feb 86 p 1

[Commentary by Muhammad Hasanayn Haykal in column "Frankly Speaking": "Political Decision-Making in Egypt"; second in a projected series of three installments; for the first installment see JPRS NESA 86-038 of 27 March 1986 p 8]

[Text] (2) Political Decision-Making in Egypt. What Impedes The Decision-Making Process.

On the threshold of this second article about the decision-making process in Egypt and without taking leave of reality or engaging in wishful thinking, I would like to say that Egypt, up to this moment, is still in good shape. Its heart is sound and so are its spirit and will.

This statement is borne out by the state of turmoil Egypt is experiencing today in its tireless quest for characterizations and solutions for its problems and ways out of its difficulties, and by all the ongoing discussions and debates on its soil that crowd its atmosphere.

All its people are engrossed with it. They are not satisfied with the whole state of affairs and believe, quite simply, that what they have is less than what they deserve and perhaps far below their real potential.

It may appear at first glance that the proof I have offered is a denial rather than an affirmation, and there is some truth to that. I would like to point out, however, that denial is not always negative and may be positive in some instances.

To give the picture form, let us suppose that our situation is similar to that of any army that does not have tanks with which to move on its target, aircraft to carry it to distant places, or missiles to guide through space.

But this army does have anti-tank guns to stop others from breaking into its lines, anti-aircraft guns to repel aircraft from its skies, and missiles to stop other missiles from entering its horizons.

Let us say that it is an army in a defensive position unable at this hour to push ahead to its objective, but is still capable of defending itself.

Leaving this picture to return to the original issue, we find that, yes, Egypt does have problems. Yes, we are dissatisfied with our overall situation and, yes, we have less than we deserve.

All this is true. But what is also true is that we do not succumb to what surrounds us. We do not allow ourselves to be misled by delusion and we are not ripped apart by fear before its actual causes descend upon us.

We seek and sometimes do not find. We move and sometimes slip. We debate and sometimes go in circles around ourselves and our problems. All this attests to a soundness of heart, spirit, and will.

The important thing is that we are alive and that we hold on to life which we value and appreciate. It is also important that we do not remain silent or hold back and do not allow our eyes to turn into pieces of glass that shine without life because they are mute and expressionless.

Our preoccupation at this moment is the search for a true starting point for a way out of our present situation. Our main concern is one overriding question: "Where do we begin?"

In last week's article, I gave preponderance to the decision-making process as the true starting point and I gave my reasons. The most important of these reasons are:

--Every policy is a decision inasmuch as every decision is a policy. Consequently, decision-making is a precise and sensitive process which, under critical circumstances, requires more precision and stronger sensitivity. What is tolerable under ordinary circumstances becomes intolerable under extraordinary circumstances.

Action in all fields, no matter how diverse--agriculture, industry, education, culture, or other vital goals--is linked to or perhaps stems from a preceding political decision.

--The decision-making process is what regulates the rhythm of dialogue in any country, be it from the standpoint of its seriousness of its mood.

--The decision-making process, when dealing with factual issues, can, unintentionally, sequester the future and restrict the freedom of its choices.

Last week I presented examples of the decision-making process in Egypt which led to the conclusion that "there are specific things obstructing the course of the decision-making process in Egypt and these things certainly have objective reasons. If we can truthfully say that the decision-making process in Egypt today is not a chain of mistakes, we can honestly say at the same time that a high percentage of these decisions requires debate, re-examination, and careful study."

My next question was: "What impedes the decision-making process in Egypt?"

In the interest of fairness, we must submit that a large part of the difficulties impeding the Egyptian decision-making process today has been inherited from yesteryears!

Egypt today is without a "historic plan" to outline the trend and path of decisions at all levels. Therefore, the Egyptian decision-making process is split in many diverse ways that sap its momentum, thus limiting its efficacy.

A historic plan of any country is this country's vision of its greater goal, its perception of its life and the possibilities of its development, and the identification of means and steps necessary to realize all this safeguard its security.

In other words, "the historic plan" of any country is its "historic strategy" on the basis of which all objectives are determined.

It may be appropriate here to give some actual examples.

Let us consider the United States. Its higher strategy is an accurate reflection of its geographical composition following its declaration as a country and its expansion from the east to the west of the continent. Its homeland became an entire continent from ocean to ocean. It considers itself, in its new refuge, to be the heir of the western empires, the fortress of their huge capitalist system and the base of their strength and security. Hence, the scope of its movement extends from its east coast all the way to West Europe (the Atlantic Community) and on the other side from its west coast all the way to Japan, China, or the Asian islands of the Philippines or Indonesia or even Australia!

Within these two parentheses, the Middle East has acquired optimum strategic, economic and human importance. Therefore, the United States must have a hand in it as overlord, if possible, or, failing that, as a moving force.

These are the lines of America's higher strategy that enable us to understand what makes its society tick internally, what is behind its policies externally, and what its specific demands are, starting with the creation of super military alliances by which it is confronting its adversary at this historic stage, namely the Soviet Union, and ending with American political action in our area of the world, be it toward the Arabs or Israel.

We can thus understand as well U.S. tactics, to wit, its daily movements.

As a second example, we can consider India. India is a continent of ethnic groups, sects, religions, and languages. Hence, India's higher strategy is that of unification and assimilation through development and science, while always being ready to defend itself against separatist and secessionist attempts and heedful of China in the east and Pakistan in the west.

Within this whole framework lies India's strategy and daily actions.

As a third example, let us take a quick look at Israel. We see that its higher strategy is continued immigration and uninterrupted expansion, in addition to reliance on a western superpower: Britain at one time, France another time, and the United States always.

This brings us to Egypt:

Egypt used to have a "historic plan" that came into being the minute the [Nile] valley, which is surrounded by the desert, realized that it was part of something larger and, in interest and security, was linked to a greater entity. It is in this greater and larger thing that the surrounded valley finds its identity, interests, and security capabilities.

Historic roots and lessons of a long history notwithstanding, it can be said that the "historic plan" within which Egypt used to move was shaped during the monarchy when its intellectual and cultural hallmarks, molded by poets and writers, musicians and singers, became manifest, until politics, economics, and defense came into play following World War II when these hallmarks and characteristics were transformed into a political framework which is the Arab League.

Thereafter the "historic plan," within which Egypt moved, entered a new post-1952 July stage, that of national revolution.

Then oil came to take the "historic plan" to yet another stage, oil.

Perhaps it is appropriate to re-emphasize at this point that a "historic plan" of any nation is not confined to the political field alone, but extends to all social and military fields and international relations and even to the very modes of operation and language. Whereas the "historic plan" during the monarchy used to express itself through words and gestures, the same plan, in the national revolutionary era, expressed itself in direct action in the street and among the masses. Moreover, this same plan during the oil stage expressed itself through palace contacts where the keys and keepers of the coffers were kept.

Nonetheless, Egypt's movement in the "historic plan" took another turn in the mid-seventies which led it to a separate peace with Israel.

Some people say: "We have employed another option." This matter is not that simple because historic options are too serious to be regarded as a daily pleasure ride. And supposing they were just that, the situation called for preparations and more sweeping changes in all aspects of our life, something that did not happen. Consequently, we neither maintained the rules of the original option nor did we lay down new ones. Hence our action was rendered almost like a train that is derailed and tries to go on any asphalt road or vice versa: a car trying to run on railroad tracks.

Decision-making under such circumstances is rendered difficult or hazardous.

For example, a number of decisions were made in Egypt with the ulterior intention that they may open the doors for Egypt to return to the Arab League. Such a return will not happen despite the sincere determination of many people because there is another practical side to this matter: Arab League political activity concentrates on three points:

--Joint defense (Egypt cannot participate in Arab joint defense plans for they are all directed at Israel. At any rate, this point has been stripped of all meaning with respect not just to Egypt but to everyone else as well for no one knows any more who is with whom and who is against whom all over the Arab world.)

There is also the Arab boycott of Israel (Egypt cannot take part in that under its agreements with Israel) and the resolutions condemning Israeli aggressions (regardless of the value of such resolutions, Egypt cannot take part in them).

Thus, there is nothing that Egypt can do in the Arab League, supposing that it returns to it, save for a seat without a role, a situation unbefitting Egypt and incompatible with its size and historic weight.

Perhaps the most eloquent expression about the Egyptian decision-making predicament in its national and regional environment is the stand toward the Spanish government's recent decision to establish full diplomatic relations with Israel and the ensuing decision of some African countries to follow suit.

An Egyptian decision in this regard seemed difficult. Indeed, an Egyptian position, or even a reasonable formulation of an Egyptian opinion, let alone a position, seemed difficult! Our answer to those who asked for our opinion was the comment that "Egypt does not interfere in the internal affairs of other countries!"

It would have been more appropriate for Egyptian diplomacy to make some effort to come up with a more plausible reply. This traditional reply we blurted out was not even neutral, but included, inadvertently, of course, presumed censure of the other Arab countries which tried, diffidently, to point out to Spain and some African countries who had resumed relations with Israel that they regarded these countries' action as an unfriendly act toward them.

The Egyptian decision-making process was in a predicament, no doubt, and I do not think it did itself any favor in trying to work its way out of it by refusing to interfere in the affairs of others! The predicament of the Egyptian decision-making process is most manifest in Egyptian-PLO relations:

The PLO feels, and rightfully so, that historic Egypt is its greatest support but political Egypt is shackled.

Egypt feels that the Palestinian question is vital to its historic security, but its contractual obligations point it in another direction.

Thus, decision-making is rendered almost impossible unless the decision is a rhetorical one or is words without force of deed.

By and large, these are conditions with which the decision-making process today has nothing to do, inherited conditions. Perhaps it is to the advantage of the decision-making process today, and to its credit, that it is able to hear the historic appeal and see the situation as it truly is. It appears as though the decision stays in place and perhaps revolves around itself because it is a struggle between the original historic appeal and the rules of the current situation.

In the days when the "historic plan" (the Arab option plan) was alive, the Egyptian decision-making, right or wrong, was possible because the features were visible.

In the days when the "historic plan," with its social choices, was bubbling, Egyptian decision-making, right or wrong, was possible because the lines were drawn.

Even in the days when the "historic plan" was wrapped in a cloak of oil, Egyptian decision-making, right or wrong, was possible because the centers were defined.

But under these circumstances, Egyptian decision-making (within the framework of the Arab system) walks on unmarked ground and by means for which it is not prepared: a car on a railroad track or a train on a paved road!

The Egyptian decision-making process is faced as well with changes in the Arab world which are equally serious in their long-term effects.

We must admit that the scheme to dominate the Arab world has succeeded somewhat in its old quest to divide the Arab world into geopolitical entities preoccupied with their own affairs.

Its old quest was to divide the Arab world into different areas: the Fertile Crescent area where Baghdad and Damascus would vie for influence; the Arabian Peninsula and the Gulf area with Riyadh as its center of influence; the North African area with influence swinging between Algiers and Rabat; and, finally, the Nile Valley area where Egypt would be preoccupied with Sudan and vice versa.

Furthermore, the scheme was not only to engross the new areas in their own affairs, but also to distract them with new struggles within their territory or along their boundaries so that not one of them could emerge as an efficacious force.

Thus, Iraq found itself compelled to enter a war with Iran on the Arab nation's eastern gate; Syria became deeply involved in sectarian confessional and familial reprisals in Lebanon; Saudi Arabia is burdened by the enigmas of South Yemen; Morocco is on a collision course with Algeria over the desert; and Sudan is living through the trials and tribulations of a civil war.

Furthermore, in the absence of an Arab system--a historic plan in which Egypt can participate--the various parties went their own ways. When fate brought them huge wealth, they squandered it, letting it slip through their fingers like desert sand without leaving any trace.

For 10 years, for instance, Arab income from oil money interests was $250 million a year on the average.

This is much more than was available to the great empires in history. It is more than the Umayyads had when they established their great dynasty and more than the 'Abbasids had as well. It is more than Great Britain or Spain in their golden eras had. Black gold has come and gone, but the Arabs failed to build an empire, as their Umayyid and 'Abbasid forefathers did, or a super industrial power atop an empire as Great Britain did with the wealth it plundered from its colonies, or to hold on to gold treasures in churches and palaces as Spain did with the gold it stole from the New World, Latin America particularly.

Where has the interest from Arab black gold gone? No one knows for sure, although there exists a set of figures, imposing in their significance, which I saw for the first time in a CIA report and later in a study by professor Nadaf Safran published by Harvard University.

The afore-mentioned set of figures says that the annual Saudi defense budget is equal to the defense budgets of 5 Middle Eastern countries put together: Egypt, Syria, Jordan, Iraq, and Israel!

While these 5 countries together have 60 divisions, 20,000 tanks and 2,000 military aircraft, Saudi Arabia, with a budget equal to theirs, has only 5 divisions, 500 tanks, and 200 aircraft!

The same pattern is repeated in Oman and the figures can be found in a report published in London a few days ago.

The defense budget in the Sultanate of Oman is $2 billion a year and its army is 25,000 strong while Pakistan's budget is $200 million less than Oman's and its army is 647,000 strong. Thus, the process facing an Arab world is different from the one Egypt left behind when its decision-makers decided to turn away from the Arab system.

The Egyptian decision-making process is confronted with changes in a wider field: the international sphere with the United States as the most important player, to which Egypt has linked itself through special relations that preceded this process.

Quite simply, the United States of today is different from that to which Egypt linked itself by a special relationship.

On the one hand, its president, Ronald Reagan, has succeeded completely in moving it away, with its consent, from the relative liberalism of Roosevelt, and even Kennedy, to the far right with a quasi-crusader, religious approach that believes that its word is the papal law of the time which others must obey if they do not wish to be excommunicated and expelled from the American paradise on earth!

On the other hand, Ronald Reagan went overboard in his military power delusion, compounding America's domestic and foreign debts and turning the United States into the biggest debtor nation in the world. Confirmed figures show that American debt to the world is unprecedented in history and is primarily represented in American treasury bonds, petrodollars, and other vehicles of direct or indirect borrowing. The amount is astronomical, over $5 trillion. Moreover, interest on the American domestic debt will reach $100 billion a year by 1990, on top of this year's balance of payments deficit of $200 billion. Thus, the United States has been preparing for a cut in its foreign aid programs. As of this year, under the Congressional authorization law, it has begun to cut all spending immediately at a rate of 4 percent, to the point where Israel has been forced to return to the United States close to $60 million, its share of appropriated aid it had obtained beforehand.

The whole American economic system has changed and is changing every day.

Indeed, the monetary system of the whole world has changed and is on the verge of collapse.

I remember what Michel Joubert, former French minister of foreign affairs and trade, once told me at his office: "They (meaning the U.S.) are pushing us all toward economic ruin, which they believe will get to them after destroying us first, and they find this reassuring. Is this not strange?"

This was before the American president issued his decision to proceed with the Star Wars program at a cost of $3 trillion, which the world will have to pay, whether it likes it or not, through unfavorable trade terms and a difficult-to-challenge control over the monetary system. Everyone keeps his money reserves in the American monetary vehicle, the dollar, from Saudi Arabia to Japan!

I do not know what the Egyptian decision-makers--who come under daily pressures from the IMF to institute balance and austerity while the IMF is itself unable to say one word to draw attention to the greatest debt and imbalance in the whole world--can do to convince Washington to readopt the kind of logic it forces upon others.

All this renders the decision-making process in Egypt very tempermental for it has to deal with an unrestrained and sometimes irresponsible force. The real dilemma is that Egypt maintains with the United States specially-influenced economic relations through aid and specially-influenced military relations through arms importation. Moreover, these special relations, besides their direct influence, place certain burdens, not to say restrictions, on Egypt's global policy and constitute yet another concern for political decision-makers.

This brings us to the problems facing the political decision-making process in Egypt with regard to Israel. We will note the existence of some familiar practices based on outmoded concepts which I believe were never sound, even in their time.

We convince ourselves sometimes that the conflict between us and Israel is psychological and that peace and tranquility would remove all doubt and melt away all complexes.

We have given tranquility every chance, but it has not been enough to solve the problem of a small piece of land like Taba. Nonetheless, Israel is still pressing on with its occupation in order to impose the terms of relations. Taba is not the only piece of land under occupation for there are 14 other points in the same situation.

The number of locations under occupation is limited, but the significance of their continued occupation is limitless. It is a statement to all interested parties that Israel will not pull back to pre-1967 lines irrespective of any concessions and other signs of tranquility.

The truth is that the Egyptian decision-making process in the Taba question has heretofore been sound on the whole, notwithstanding its occasional rashness. A case in point is the recent Peres proposals for a comprehensive deal with Egypt which we described as positive before receiving the terms of this deal. When we finally read the terms, we discovered that this was not a deal, but rather an outstanding "bill." We were forced to retract our hasty assessment, but the problem is that the world has already accepted Peres' propaganda and believe our instantaneous comments. It believed that Israel was positive, then began having doubts about our retraction, thinking the worst of us while this could not have been the farthest from the truth.

Regarding Israel as well, we convinced ourselves at one point that the ruling group in Israel was comprised of moderates and extremists and that we could play one group against another.

We first used such a tactic during the Kilometer 101 talks while the October War was still going on. General--at the time al-Jamasi--went to his meetings with General Yariv, director of Israeli military intelligence, armed with secret instructions different from the official ones.

The secret instructions told him: "There is a conflict between Prime Minister Golda Me'ir and Defense Minister Moshe Dayan. Yariv is Dayan's man, so exploit this conflict by offering Yariv some concessions to take back to Dayan behind Golda Me'ir's back"!

The same thing happened when we convinced ourselves that Peres was better than Shamir and, therefore, we must seize the opportunity before Peres turned over the Israeli premiership to Shamir in November.

The same thing was repeated with regard to Ezer Weizmann when we had ourselves believing that he was more moderate and sensible than Peres or Shamir and, of course, Sharon.

Thus, between the decision in Egypt and the decision in Israel, Weizmann was turned into a "dove."

And he is still playing the role of a dove up to now.

Such is the influence of concepts established at an earlier time, but still carrying some influence on later times!

I finally come to the problems facing the decision-making process in Egypt and for Egypt.

--The economic facts are painful, their consequences critical, and dealing with them, even with the highest degree of efficiency, is difficult.

--Population growth is impossible to control and 60 percent of the population is under the age of 20.

--Resources used to be barely adequate before the population explosion. At one point, we were able to bridge the widening gap with emergency revenues such as remittances by Egyptians working abroad, oil exports, and income from the Suez Canal and tourism. All these emergency revenues are falling now.

--Accumulated debts in the seventies, which jumped from $2 billion in 1971 to $24 billion in 1981, are now approaching the $30 billion mark,

I can go on and on.

Decisions-makers at all levels are horrified by what they see. Sometimes they get close, but other times they pull away as though they are facing a highly-explosive mine, which they are.

The social map in Egypt has changed. It changed with the open-door policy, it changed with the age of oil with its money surpluses and Egyptian remittances, and it changed with many other factors as well.

However, the new map has not been drawn or even outlined yet.

The question is: How can the decision-making process operate in a society at variance with itself where the intensity of differences is not known and their influence on its class structure and relations are obscure, although signs of tensions are emerging once again?

Perhaps I am maintaining that we are approaching a dangerous situation because the problems--foremost being inflation, which is reflected in steadily-rising prices--have begun affecting the middle class, which has always been the backbone of the class composition in Egypt.

Hence, we face many pending questions in the domestic decision-making process.

Who exactly makes the decision? And for whose benefit? And what weight does it have in the Egyptian class composition?

Moreover, the political map in Egypt does not represent all social forces. We have noticed in the past that partisan political action has failed to attract more than 4 percent of the electorate, so where are the rest and who represents them in the political arena? How can the decision-making process take into account the huge difference between the social map and the political map? Will the loudest voice have the edge or what exactly are the rules of the political game in the calculations of the decision-making process.

Furthermore, the maps' imbalance between what is changeable, what is undetermined, what is unknown, and what is fluid has allowed the emergence of organized lobbies totally new to Egypt.

Lobbies that wield influence in greater proportion than what they represent--much greater.

For instance, there is a lobby which represents the so-called businessmen who wield clear influence, but whose actual role in society is less clear.

With respect to the businessmen's lobby, figures reveal what pressures conceal.

Figures say that busines sector bank deposits total 700 million Egyptian pounds while their loans amount to 10 billion pounds.

Figures also say that household, non-business deposits total 16 billion Egyptian pounds while their loans amount to 600 million pounds.

This means that the business sector in its operations actually depends on household savings which are being eroded by inflation while businessmen reap the benefits of the real investments.

Accordingly, the pressuring force is the "businessmen" and those pressured are the "savers," actually the middle class.

In addition, there is a disturbing new phenomenon which is the growing relationship between some ruling elements and some business groups. There has been a back-and-forth movement between these two sides: businessmen going directly into government and government officials going into business. I do not wish to mention names because the intention here is to talk about the phenomenon rather than to point a finger at anyone in particular.

Besides the businessmen's lobby, there are other lobbies as well:

There is a lobby for closer relations with the United States--interest [groups].

More unusual is the lobby for closer relations with Israel. I do not believe these are relations of interests. Perhaps this is a misunderstanding or miscalculation!

The political decision-making process feels the pressures and sometimes resists them. But the voices are loud and resounding!

I pause before another problem facing the political decision-making process: real men. The process ultimately needs true men in leading positions, but the majority of them has been consumed.

Some have been consumed by emigration or jobs abroad due to a number of reasons.

Some have been consumed by the open-door policy which prompted them to leave fields of real work for other, easier fields in search of quick wealth.

Some have been consumed by negligence which has left them nothing but memories inside and dust and rust on the surface. This is a waste of human resources and valuable experiences but, nonetheless, it is a fact.

Some have been consumed by corruption for temptation is exciting and virtue is boring in an age when values are disappearing at the same rate as stock and financial markets go up and down.

Finally, some have been consumed by overuse.

Some quarters actually resemble used car lots where no one is quite sure what shape these cars are in, on what kind of roads they have traveled, or whether the mileage on the odometer is true or has been altered.

Thus, we find that the decision-making process is in need of real men in leading positions.

But the well-known among them have been consumed and most of the new ones are not known and, therefore, betting on them is a risky but definitely necessary game. This is because the nature of things calls for new men from a generation which, by right and necessity, must bear the responsibility of its age.

We might add that the apparatus in charge of implementation, namely the government, has also been consumed just as much as or more than the men.

It has been worn out by time, experience, and conflicting laws. It has become accustomed to ignoring policies and bowing to the authorities.

Moreover, its lobbies have been sought by corrupt elements, including the impossibility of reconciling an inflated cost of living with a suppressed pay schedule. All this is at a time when the atmosphere is full of eye-dazzling and mind-boggling temptations.

One last point worth mentioning in this regard is that everyone works without the benefit of archives or, more accurately, recollection.

We have gotten rid of all our past experiences. Our modern history is divided into three epochs: one we have neglected, one we have attacked, and one we want to forget.

Hence the decision-making process in Egypt appears to be carrying out its responsibilities within the framework of reaction because fundamentals are lacking.

Past experiences may and indeed do have aspects that may rightly be ignored, criticized or forgotten. But they have much more than that. They include fundamentals that have grown and branched out. The strange thing is that Egypt, the country of history, forgets its history while others seek to borrow it.

For example, the document on the establishment of diplomatic relations between Spain and Israel pointed out that "relations between the two peoples are being restored following a 500-year rift!" This, of course, was an allusion to the Jewish exodus from Spain during the Inquisition. In other words, the "state" of Israel borrowed a history it did not possess and went overboard in "authenticating" matters to the point of "inventing" them.

By way of another example, Czarist Russia's archives have and still represent the Soviet Union's recollection with regard to pre-revolution issues and relations, although changes brought about by the revolution were radical and decisive.

All countries of the world have a recollection that links its present to its roots and gives the future an awareness of the historic dimension of its steps.

In the absence of a historic discussion, the political decision-making process in Egypt seems at times to be swimming on a rocky beach on a stormy day!

(We might add to this aspect the aspect of information and how it is received and circulated at all decision-making levels. This point deserves a separate study, at any rate.)

And now, what can decision-makers do in the face of this and how are they supposed to act?

We may venture at first and focus our answer on what must not be done or, in other words, what must be avoided at this time.

At this time, for instance, decision-makers have no right to despair and bring back the old adage: "It's no use!", or to recall the Shakespearean cry in his great epic about Julius Caesar, as uttered by Mark Antony when he said: "O Romans, if any of you have tears left, shed them now!"

It is still too early for such an adage.

At this time, for example, it does not befit decision-makers to invoke old answers to new questions in the way that brings to mind the story of Winston Churchill, who became prime minister of Great Britain in 1940 at the most critical point of the last world war when France, Britain's strong ally, was on the verge of surrender. Churchill was sitting with the British Empire's chiefs-of-staff listening to their plans for conducting the war. He listened and listened some more, then fell into a deep silence, while all eyes were on him, and seemed to be in a daze. When he came out of his daze, the first thing he said was:

"Gentlemen, you are planning for the last war!"

If we forego the negative method in favor of the positive, we find that it may be appropriate for decision-makers in Egypt today, under current circumstances, and so long as we are quoting famous proverbs, to remember what Machiqvelli, the professor of modern political science, said in his book, "The Art of War":

"Scrupulous organization adds to man's intrepidity while anarchy spreads fear in the most courageous hearts."

"Few are those who are courageous by nature, but scrupulous organization, coupled with lessons learned from experience, gives the general public a much greater chance for certain victory than courage!"

I said at the beginning of this article that Egypt is still in good shape. I repeat the same thing at the end of the article, but the nagging notion that forces itself upon the last line is:

"But for how long?"

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RA'S BURQAH KILLER EULOGIZED

Islamic Center Planned

Cairo AL-SHA'B in Arabic 25 Feb 86 p 1

[Text] Struggler Ibrahim Shukri, in Ikyad to participate with the people of the village in the 40th day observance of the martyrdom of Sulayman Khatir, announced that contributions will be accepted from the public for the construction of a major Islamic center to be named after the martyr Sulayman Khatir. The center will have a mosque, a school, a religious institute, and an educational library in order that it may light the way for youths generations to come and complement the example set by the martyr for morality, righteousness, and diligence in duty.

Attempts by security forces to keep Ibrahim Shukri from entering Ikyad on Monday, 17 February, almost caused them to clash with Abd-al-Mun'im Khatir, the martyr's brother. Groups of village youths waited for the Labor Party leader's motorcade at village limits and near Labor Party headquarters in Faqus. When he arrived they put him in a different car and headed for the martyr's home avoiding the roads blocked by Central Security Forces. Surrounded by the martyr's family and a group of party youths who came from Cairo bearing flowers, struggler Ibrahim Shukri walked to the martyr's grave where they all stodd reverently to read suras from the Qur'an.

Afterwards, a large conference was held in front of the martyr's house. It got underway when the martyr's brothers, 'Abd-al-Hamid and Abd-al Mun'im Khatir, acting on behalf of the family and of the people of Akyad, presented struggler Ibrahim Shukri with God's Book in appreciation for his stand on the issue and as a practical response to false allegations that the villagers had refused to receive him. Abd-al-Mun'im Khatir stated that the 40th day observance would not have taken place without the presence of Ibrahim Shukri and that he had notified the police that the observance would be postponed until the leader came to Ikyad.

Ikyad surrounded Ibrahim Shukri's motorcade in a huge march that lasted longer than an hour. They denounced the position of the ruling party and asserted that Sulayman was a victim of homicide, not suicide.

Mother Invokes God's Vengeance

Cairo AL-SHA'B in Arabic 25 Feb 86 p 2

[Article by 'Imad Mahjub]

[Text] Addressing thousands of villagers who gathered in front of the martyr's house, Ibrahim Shukri said: I wish I had met him. Perhaps he wished it also. I saw him when his blessed remains were on the table. His handsome face shone with faith. I put my hand in his and kissed his forehead. It was an encounter I'll never forget.. The brothers were inspecting the blessed body and the marks on it, but my heart told me that that youngster could not have committed suicide. My heart didn't lie and neither does the evidence. Sulayman did not take his own life. He was killed. They have done him injustice in life and again in death.

There are those who attack me, claiming I am using the Sulayman Khatir issue to fabricate a cause celebre. To them I say that Sulayman Khatir will forever be a martyred hero. This youngster will remain an example of sincerity and faith in the performance of duty.

He was an example of the soldier always at the ready with his weapon in his hand and also prepared to do his duty.

The Zionists had demanded his head prior to the Taba talks because they feared that this spirit (the spirit of doing one's duty and defending the land) might permeate the nation. Does it then make sense that he takes his own life when he had two Qur'ans in his room? When the day before the incident he was surrounded by his family in a visit filled with hope and aspiration that he would pursue his degree and practice law?

It saddens me deeply that I was unable to be here for the martyr's funeral. The police prevented us from what we wished to do as if my coming to Ikyad would cause all kinds of calamities. In reality, they feared the solidarity of the masses with sincere leadership.

We Did Not Come To Offer Condolences

Ahmad Mujahid, Labor Party member of the People's Assembly, said: I don't see myself as participating in a wake because we are here to strengthen our will and reaffirm our dedication to continue the quest. By doing what he did, this sharp-eyed, slim youngster has resurrected from the dead our entire Arab nation. From my travels in the Arab lands I bring you the esteem for the village that bestowed its martyred son as a garland for the Arab nation. The whole Arab nation looks at Ikyad as a vanguard of struggle.

Faith and Work

Majdi Ahmad Husayn, secretary general of the Youth Alliance, said: Talk is difficult now that Sulayman has translated his beliefs into a lasting action that will forever endure because it has kindled in this generation the spirit of struggle that they have attempted to suffocate.

This spirit has also touched the Egyptian army. A number of officers have clashed with the Israelis in Taba and the Egyptian navy sank an Israeli spy vessel carrying modern, sophisticated equipment.

We, as youths, should heed the example of Sulayman Khatir because Egypt needs deeds. Even simple deeds are ultimately greater than thousands of words and the ultimate greatness is to die for one's country, setting for others an example of sacrifice.

Usamah Sulayman, secretary general of the Labor Youth Alliance in al-Sharqiyah Governorate, said that Sulayman did not die as have the despots of all eras God, who misses nothing in the two worlds, is quick to mete out justice and He will not forget to avenge Sulayman.

The People Will Be Victorious

Colleague Ibrahim 'Ibadah, secretary of the Labor Party in the Hihya district, said, "The hero has joined the honor roll. They accused him of being mad, so how would one describe those who sell out their homeland and then speak into their microphones in the People's Assembly, 'Mercy on the youngsters who were misled in Akyad and within the sacred al-Azhar mosque.' The truth is that they are the ones who deceive but the people will recognize their deception and will pay them back."

Hamdi al-Sayyid Mutawalli, speaking for the youths of Ikyad, welcomed Ibrahim Shukri and then said that Radwan and his party are deceivers and should be the last to discuss Egyptian youths in general and Ikyad youths in particular. He concluded by asserting that all of Egypt is Sulayman Khatir.

Eng Abd-al-'Aziz Nassar, member of the Socialist Labor Party in Cairo, recited a collection of poems in salute to the martyred hero.

The conference was moderated by Mr Husayn 'Azzazi, a native of Ikyad and a friend of the martyr. He elaborated on the issues raised and applauded the positions of the Labor Party and its leaders and of AL-SHA'B newspaper and its editors.

After the conference, Ibrahim Shukri shook hands with the martyr's brothers, mother, and other family members. The mother said: Sulayman is your son and brother and you are his family. There is a God and His justice will avenge my son.

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MOROCCO

COMMENTARY OPPOSES CITIZENS' PARTICIPATION IN FOREIGN ELECTIONS

Rabat AL-'ALAM in Arabic 10 Mar 86 p 1

[Commentary by Abdelkrim Ghallab: "With the People"]

[Text] Our citizens abroad make their presence felt in the homeland, not by their problems with residence and work or with unemployment and deportation and by their work when they return to the homeland, but they have come to the point of making their presence felt as citizens who have their national base, be they on foreign soil or in the homeland. This is what the connection of the homeland with them and their connection with the homeland confirms.

His Majesty the King expressed the idea of these citizens' pride in their country in his press conference as he was responding to a question connected with the right to vote in municipal councils, which the Netherlands granted to foreigners, among whom are Moroccans. His Majesty stated: "I oppose Moroccan citizens participating in elections which take place in foreign states. I believe that hospitality, cooperation and joint action do not mean assimilation. The assimilation of the Moroccan citizen is difficult. Moroccan inherited qualities are matters which must be taken into consideration. Why do you want the Moroccan to salute, ostensibly or inwardly, as he is listening to the Dutch national anthem? And after 30 or 60 years, why is he required to go to the battlefield to defend France or Germany as a Frenchman or a German?"

This is the patriotic consideration which His Majesty stressed to emigre citizens. If we are grateful to some foreign states for giving foreigners the right to practice some sovereignty in their countries by way of, for instance, municipal elections, then Moroccan citizens abroad must be committed to practicing this right of theirs in their country since they are able to fulfill it, either at the local level, if they are present in the homeland, or at the national level to elect their representatives in the Chamber of Representatives, even if they are outside of the country.

Emigrating for work should not deprive the citizen of his citizenship. Along with thanking governments that give citizens this right it is encumbent on citizens to excuse themselves for nonparticipation in elections in foreign countries in deference to the homeland and to the patriotic concept which His Majesty the King expressed.

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BUDGET FOR 1986, 1987 DISCUSSED

Manama AL-BAHRAYN in Arabic 29 Jan 86 pp 22-25

[Text] His Excellency Mr Ibrahim 'Abd-al-Karim, minister of finance and national economy, delivered a statement on radio and television in which he spoke about the state's public budget for the fiscal years 1986 and 1987.

His excellency opened his statement by saying: By the grace of God Almighty the decree determining the state's budget for the fiscal years 1986-1987 has been approved by his highness the deputy to his exalted highness the prince, Shaykh Hamd Ibn 'Isa Al Khalifah.

To begin with, I would like to point out that this budget reflects the lofty directives that we in the Ministry of Finance and National Economy received during the preparation of this budget from his highness the exalted prince, his highness the respected prime minister, may God Keep him in health, and his highness the crown prince, since their directives had the greatest effect on our carrying out our task in a way that pleases God and realizes the hopes and expectations of our fellow citizens.

The nature of this budget is that of any other budget. It is a reflection of the government's directives and of its fiscal policy, and as such it is a tool for implementing that policy. On this basis, many things were taken into consideration according to the direct or indirect effect they would have on the performance level in the government system on the one hand, and on the growth and prosperity of the national economy on the other. Some of these considerations were:

1. That this budget is a part of the fiscal plan for government revenues and expenditures for the period from 1986 to 1991 and it includes concepts of the future based on indicators of the world economic situation and how they reflect on the Arab Gulf region in general and on Bahrain in particular, by virtue of it being a center for trade, finance, and services.

2. The difficult and unsettled conditions that the world oil market is going through, the fluctuations in oil prices, and the effect of that on the country's resources because of the importance that oil revenues have among the components of the budget's elements.

3. Continuation of the implementation of projects of the current development program, and preparation of the next development program, which, God willing, will begin as of 1988, with the arrangement of projects along the scale of priorities under review.

4. The effect of government spending on the level of local economic activity, since government spending is of major importance in spurring economic activity and realizing a reasonable level of growth in the national income.

5. The resolutions that were issued by the cabinet concerning the rationalization of spending, an end to waste and duplication, and the utilization of available resources in sound ways without affecting the level of services offered to the people or the development of basic facilities, as well as the various edicts and financial systems that this ministry issued in carrying out and in support of the decisions regarding policies on rationalizing spending.

The total state budget for 1986-1987 is 1.11 billion Bahraini dinars, of which 550 million dinars is for 1986 and 560 million dinars is for 1987. This budget exceeds actual spending for 1984 and 1985 by 67 million dinars, or 6 percent.

With respect to income, the portion of oil revenues in this budget will be 681 million dinars, or 61 percent of the budget's total income. Even though this percentage seems encouraging because it represents a drop in the budget's dependence on oil sector revenues, the components of budget revenues from local sources include the issuing of development bonds and treasury notes in the amount of 47 million dinars during 1986-1987 and I should mention that in the event of a sharp drop in oil prices, a budget deficit is possible, so we have been cautious when estimating revenues because of the unsettled conditions in the oil industry, which I have mentioned before, along with the direct effect they have on revenues, and the indirect effect on the levels of economic activity which reflect on other revenues.

As for expenditures, recurring expenditures will be 721 million dinars, or 65 percent of government spending for the 2 years, while developmental expenditures will be 389 million dinars, or 35 percent of that spending. Going back to the recurring budget, we see that salaries and wages in it are 425 million dinars, or 59 percent of the recurring budget, while the remaining percentage is distributed among other categories, which are expenditures for services, consumer goods, capital goods, maintenance, conversion payments, and aid and loan repayments. In this respect I should mention that the budget for the Ministry of Education, including higher education, will be 127 million dinars, and that the budget for the Ministry of Health will be 69 million dinars, so the education and health sectors still enjoy first place in this budget.

With respect to the developmental expenditures, their allotments for 1986 and 1987 are 389 million dinars, of which 188 million dinars are earmarked for electricity, water, sewers and roads, while 74 million dinars are earmarked for housing. Fifty-one million dinars have been earmarked for facilities pertaining to education, health, social affairs, information, youth and sports, and the municipalities. As for infrastructure such as the airport, the port, industry, agriculture, and communication, their allotments are 46 million dinars. In this respect we should explain that works that are now in progress will be 98 million dinars, while allotments for new projects on which work will begin during the next 2 years will be 290 million dinars.

As long as we are analyzing figures and the tendencies that they reflect, we should point to two important facts:

First: The level of income expected during the upcoming period might not be able to meet the growing needs of government spending, so we are in the process of re-analyzing the costs of each sector and the social and economic returns of each. If we were to take, for example, the essential facilities, which are the airport, the port, roads, electricity, water sewers, and housing, we would see that their over-all costs, including operational costs, during 1986 and 1987 would be around 409 million dinars, while their returns in state revenues for the same period would not be more than 113 million dinars.

Second: By virtue of the fact that direct government spending is the essential spur to economic activity, it must be accompanied by an increase in investment in all producing sectors, whether the private sector, the mixed sector, or public establishments if one wants the national income to grow at reasonable rates. Therefore, the report by the committee of strategic options, which this ministry will present shortly to the cabinet, will study in detail how to reach the defined goals of growth, along with the changes in some policies and pursued methods that all that demands.

We humbly ask God that this attempt by us to prepare and execute this budget will be a step along the road leading to an advanced standard of living for our fellow citizens and the growth of our national economy, and carry it in rapid steps to achieve the goals that this government wishes to achieve in all areas, asking help of God and supported by the efforts of every individual in this society, and proceeding along the road of happiness and stability under the leadership of his highness the exalted prince of the country, may God preserve and protect him.

Summary of the estimated amounts in the state budget for projects of the fiscal years 1986-1987 in thousands of dinars.

Number	Ministry	1986	1987
1	Defense	9,040	5,015
2	Interior	3,923	2,097
3	Cabinet Affairs	36	157
4	Foreign	4,992	728
5	Justice and Islamic Affairs	1,496	1,888
6	Information	8,885	3,355
7	Education	5,220	7,488
8	Academic College/Gulf College	1,900	4,200
9	Health	2,834	9,697
10	Labor and Social Affairs	1,744	537
11	Public Establishment for Youth and Sports	2,076	925
12	Commerce and Agriculture	5,300	6,800
13	Development and Industry	1,853	2,820
14	Civil Aviation Administration	6,244	7,630
15	Finance and National Economy*	8,036	7,106
16	Housing	38,700	34,800
17	Public Work Affairs	32,270	47,164
18	Electricity	55,912	52,201
19	Communications	936	333
20	Central Municipality Agency	1,603	1,059

*Includes amounts placed under the control of the Ministry of Finance and National Economy but essentially earmarked for compensating some of the ministries.

Table showing the amounts for income categories for the period from 1985-1987 in thousands of dinars.

Category	1985	1986	1987
Oil Sectors Revenues	375,000	335,000	346,000
Taxes on International Trade	33,000	33,000	33,000
Goods and Services	15,000	15,100	16,200
Administrative Fees	9,000	8,900	9,000
Income from Government Services	55,000	60,000	63,200
Income from Property and Investment	6,000	29,600	29,600
Aid and Loans	48,000	68,200	62,800
Bids and Auctions	1,000	200	200
Total	542,000	550,000	560,000

Table showing amounts for fixed expenditures for the period from 1985-1987 in thousands of dinars

Category	1985	1986	1987
Fixed Expenditures	348,000	357,000	364,000
1. Labor Force Expenses	200,350	210,699	217,367
2. Services Expenses	34,022	34,917	35,566
3. Consumer Goods	31,200	30,190	31,513
4. Capital Goods Expenses	10,170	11,043	11,183
5. Maintenance Expenses	15,293	17,893	17,945
6. Conversion Expenses	46,908	27,280	25,448
7. Aid and Loan Repayments	10,057	24,978	24,978
8. Created Expenditures	194,000	193,000	196,000
Over-all Total	542,000	550,000	560,000

Table showing the increase or decrease in repeated expenditures of the ministries during 1984-1986 in thousands of dinars.

Number	Ministry or Other Government Office	1984	1985	%	1986	%	1987	%
1	Office of His Highness the Prime Minister	232	224	(3)	273	22	277	1
2	Defense	49,724	49,282	(1)	50,741	3	51,567	2
3	Interior	47,767	47,962	-	47,885	-	47,885	-
4	State for Cabinet Affairs	4,240	4,175	(2)	4,314	3	4,183	(3)
5	State for Legal Affairs	284	280	(1)	369	32	373	1
6	Foreign	4,544	4,436	(2)	4,496	1	4,496	-
7	Justice and Islamic Affairs	2,819	2,790	(1)	2,924	5	3,052	4
8	Information	12,322	12,000	(3)	11,711	(2)	11,459	(2)
9	Education	45,978	47,848	4	53,589	12	57,731	8
10	Health	33,155	33,261	-	33,928	2	35,178	4
11	Labor and Social Affairs	5,526	5,761	4	5,650	(2)	5,548	(2)
12	Public Establishment for Youth and Sports	4,463	4,343	(3)	4,289	(1)	4,244	(1)
13	Commerce and Agriculture	4,817	4,601	(4)	4,884	6	4,766	(2)
14	Development and Industry	8,508	8,072	(5)	8,175	1	7,986	(2)
15	Finance and National Economy	15,885	15,926	-	16,339	3	15,848	(3)
16	Housing	4,163	4,120	(1)	3,953	(4)	3,776	(4)
17	Public Works, Electricity and Water	42,486	43,759	3	46,014	5	50,224	9
18	Communication	6,906	6,926	-	6,661	(4)	6,427	(4)
19	Miscellaneous Budgets	3,647	3,680	1	3,714	1	3,721	-
20	Conversion Payments	45,702	48,590	6	47,091	(3)	45,259	(4)
Total Recurring Expenditures		343,168	348,000	1	357,000	3	364,000	2

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ISRAEL

EVOLUTION OF 'WHO IS A JEW' BILL REVIEWED

Tel Aviv SPECTRUM in English No 3 Mar 86 pp 19, 20

[Text] In February the Knesset voted by 61-47 to defeat the "Who is a Jew?" amendment to the Law of Return; the motion was tabled by the coalition of Orthodox political parties in the Knesset. Simply referred to as Who-is-a-Jew, this indeterminable existential quest has become the occasion for an annual coalition crisis.

The Orthodox parties want to tighten up what they consider the vagueness of the language of the Law of Return — a law which guarantees Jews the right to immigrate to Israel and receive immediate citizenship — because they oppose conversions to Judaism performed by non-Orthodox rabbis.

Because of Labour's philosophical commitment to Jewish pluralism, and to its concrete relationships with the Conservative and Reform movements in American Jewry, Who-is-a-Jew marks the border of the Alignment's willingness to compromise with the religious parties. (Labour has been trying, apparently with modest success, to pry the religious parties away from their cozy relationship with Likud; they represent the balance of power in the Knesset, given the current constellation of forces, and their support would be crucial to a political strategy based on early elections or a narrow — *sans* Likud — coalition.

The specific issue involves Israeli recognition of converts to Judaism who underwent either Reform or Conservative conversions abroad. This recognition affects their treatment by the government if they immigrate to Israel. The defeated amendment sought to ensure that anyone converted in a non-Orthodox ceremony who then moves to Israel would not be recognized as a Jew, and therefore could not receive citizenship on the basis of the Law of Return.

In point of fact, the numbers of convert-immigrants is small enough to warrant a quieter method of reaching an understanding; various compromise proposals have been mooted, including the establishment of a "conversions court" comprised of rabbis from the three streams in the United States. Sources in some Orthodox circles favour one or another compromise formula. Yet the number of religious parties works against moderation: held captive by the most extreme elements, against which they will have to compete in the next elections, even the moderates must demonstrate their commitment to the ammendment.

The Labour Party provided the backbone of opposition to the bill by imposing faction discipline on its parliamentary party. (The one Labour Knesset member, Rabbi Menachem Hacohen, who was allowed to vote for the bill was a reluctant supporter, and told *The Jeruslaem Post* that "the law is completely superfluous and should never have been tabled". Labour Party Secretary-General MK Uzi Baram described the matter as "a basic issue of principle".

Although Labour's unequivocal position hardly pleased the much-wooed religious MKs, most of their anger was directed at Likud: the right-wing party failed to deliver on its promise to secure 38 of its 41 representatives to vote for the law. (Three voted against, one abstained, and eight stayed away from the Knesset, voting with their feet.)

In a speech two days later Prime Minister Shimon Peres said the question was not "Who is a Jew?" but "Who is a rabbi?". In replying to the Knesset debate, Peres said that Israelis must make "an effort to maintain a common life" rather than "aggravate those [religious] definitions and risk tearing the nation to pieces".

Peres also sought to emphasize the different provinces of authority, recently blurred in debates over the Temple Mount (see editorial) and other sensitive issues. "There is a Knesset. There is a rabbinate. The Knesset must decide in national and political matters. The rabbinate may issue religious rulings. The Knesset must not decide on the *Halakha* (religious law), and the Knesset must not cast off its responsibility for the coexistence of our people." The last nail was driven in several days after the defeat of the law by Rabbi Eliezer Schach, a powerful and influential Orthodox leader whose word is accepted as definitive by five MKs from two different parties. In a wide-ranging interview in which he also stated support for "relinquishing territories in exchange for peace" and denounced attempts by other Orthodox figures to introduce Jewish worship on the Temple Mount, Schach dismissed Who-is-a-Jew as an irrelevancy.

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TEXTBOOKS DISCRIMINATE AGAINST SEPHARDIM

Jerusalem THE JERUSALEM POST in English 18 Mar 86 p 2

[Article by Joel Rebibo]

[Text] Sephardi Jews are depicted in school text books as being dirty, boorish, diseased, uneducated, superstitious and primitive, Dr. Ruth Firer told the Knesset Education Committee yesterday.

"There is no doubt that this stereotyping has caused deep emotional damage," said Firer, a high-school history teacher, who surveyed text books as part of her PhD. thesis. "Today's teachers were reared on these images of Oriental Jews."

The Knesset committee was also presented with a page from a high-school phonetics text which notes that the letter *ayin* is pronounced one way by Oriental Jews, but "in our days like an *aleph*.

"The implicit message is that the Sephardi pronunciation is obsolete," said Sam Ben-Shitrit, of the Am Ehad-Be'yahad movement. "This is a call to Sephardim to abandon their special pronunciation and become modern."

Ben-Shitrit challenged a 1966 history book that claimed that there were no Jewish youth movements in Morocco.

Though history books published after 1977 no longer describe Oriental Jews in derogatory terms, Firer pointed out that the old books are still widely used, "at times surreptitiously."

Firer said that the contribution of Oriental Jews to the founding of the state has been "isolated" from that of other Jews in the new text books, and that the history and culture of Oriental Jews throughout history are not taught to most pupils.

The Education Ministry's curriculum head, Shlomo Eliyahu, said that the ministry is willing to support any effort to write new texts. He added, however, that an integrated history of the Jewish people would run the risk of "obliterating the special nature of each group."

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ISRAEL

LEGAL CURBS ON MEDIA PROPOSED

Tel Aviv SPECTRUM in English No 3 Mar 86 pp 16, 17

[Article by Bradley Burston]

[Text] **The free Israeli press is under attack. That's not news. What is new is the confusion and conflict at the busy intersection of the first and fourth estates.**

The latitude allowed the Israeli journalist and the freedom enjoyed by the press are the envy of many a foreign correspondent resident in Israel. Recently, however, with the disclosure of police investigations into the activities of high-ranking politicians, voices have been raised in favour of instituting government-monitored controls on the press.

First to propose legal curbs on the press was Liberal Party (Likud) Justice Minister Moshe Nissim. The bill drafted by Nissim would, in effect, ban the publication of the names of suspects in criminal cases until after the issue of a formal indictment. "There has been an abundance of leaks from police investigations", Nissim told reporters, "and this is not only wrong, but against the law, and prohibited by police order". Nissim was asked why he had chosen the press as the target of his legislation and not the police sources responsible for leaking information. "I don't blame the newspapers for printing what is supplied to them", he replied, "but the good name of the individual has to be of paramount importance. The press has, in the past, tarnished reputations, sometimes with banner headlines, and when the suspect was later cleared of suspicion, the media did little to return to the individual his lost honour. In point of fact, it was the actions of the press that gave rise to this legislation, and the inability of the Israel Press Council to enforce its code of ethics on the nation's newspapers." (The Israel Press Council was established in 1963 by the journalistic community to impose ethical constraints upon itself.)

The response of the press, and of the Press Council, was not long in coming. Wrote Hanna Zemer, editor of *Davar*, "The level of voluntary restraint on the part of the Israeli press is unparalleled among democratic countries. The general public does not know this because, after all, there are matters that go unreported. But high-ranking officials who approach the Press Council just about every other day — and whose personal requests for discretion are granted — know this very well."

During a recent meeting with Nissim, Prime Minister Shimon Peres, press representatives and Yehoshua Rotenstreich — a founder and currently president of the Press Council — countered the justice minister's arguments with a lengthy list of examples of media self-regulation and restraint. Included were the cases of the massive airlift of Ethiopian Jewry — a secret kept by the press but spilled to the world by attention-starved Jewish Agency officials — and of numerous journalists who, unknown to Nissim, have been severely disciplined for infringements of the Press Council code of ethics. Momentarily nonplussed, Nissim was subsequently buoyed by fellow Likud ministers and once more pressed the attack.

As Nissim's bill began the tortuous route to the Knesset floor, journalists voiced fears that banning the publication of the names of suspects was only the opening round in an ongoing struggle to control the press. Their concern was intensified by the announcement of proposals that would require reporters to divulge sources on demand and to be licensed by the government. These proposals were swiftly quashed, however, by stiff and efficient opposition from an unexpected source -- the office of the minister of justice.

"I utterly reject these proposals, and have taken steps to eliminate any possibility of their passage", Nissim announced. "I see in these bills a real threat to freedom of the press, the cornerstone of our democracy. If a reporter is required to reveal his sources of information, he is deprived of the possibility of bringing forth facts of vital importance to the public. If a journalist is to be required to take out a license in order to write, this constitutes a serious blow to freedom of expression."

While politicians and editors wrangle over control of the print media, the protracted battle for authority over Israel's only television station is waged in storerooms, board rooms and back rooms, well offscreen. Regularly and without explanation, the nightly news is interrupted by political power plays involving technicians, directors, reporters, anchormen and a rich profusion of warring union committees and management tiers. For periods ranging from several minutes to several days a curious public is left firmly, and literally, in the dark.

"It's unbelievable," Israel Broadcasting Authority Director Uri Porat has remarked. "We have such a miserable car, but everyone in Israel is trying to get into the driver's seat." Porat was appointed to his post by former Likud Prime Minister Yitzhak Shamir, whom he had served as press spokesman. The Likud, furious with "left bias" in television coverage of events in the occupied territories and unsympathetic accounts of the Lebanon war, hoped that Porat would effect a political turnabout in television news. Porat's sponsors were soon disappointed.

In January 1985, Porat selected Haim Yavin, a popular anchorman and host of Israel's respected though low-budget weekly news documentary programme to head Israel TV. Porat immediately found himself at loggerheads with the slim Likud majority on the Israel Broadcasting Authority board. "They charged that Yavin is a leftist", Porat said at the time, "and that I am a traitor because I rejected their choice. I told them I was not a Soviet commissar who would do the party's bidding, right or wrong: I picked Yavin because he was the best man for the job." At length Yavin was rejected, and for the better part of a year Israel Television was left without a director.

Dr. Israel Peleg, director of the Government Press Office and a member of the Broadcasting Authority board, argues that irresolute management practices increase the vulnerability of the government-owned TV station to partisan pressures. Though board members are chosen on the basis of talent and experience appropriate to their position as technical and creative advisors to television management, they also serve as representatives of the parties that nominate them. In Peleg's view, the latter role all too often takes precedence over the former.

"The day-to-day interference of board members takes many forms. Among the gravest examples were the exceptionally agressive attempts by David Admon, an associate of (Likud-Liberals) Finance Minister Yitzhak Modai, to influence the hiring of 'sympathetic' news reporters and editors. There are also hidden, one-on-one contacts between board members and production personnel of news and interview shows. These are absolutely contrary to station regulations but it would be naive to conclude that all board members abide by the regulations - especially during elections."

The influence of politics on television programming has aroused in print journalists both an appreciation of the newspapers' relative independence and growing concern regarding current attempts to curtail press freedoms. Print media controls will not come easily, however, nor sit well with a press corps unaccustomed to political bridling (even decisions of the chief military censor are subject to appeal and reversal). Warns Hanna Zemer, should government restrictions be placed on journalistic freedom, the first to suffer may well be politicians who favour the curbs. "You can't have it both ways. From now on, when a minister has an urgent request to the press to refain from publishing, he will be referred to Nissim, the initiator of the law. This is now his field of expertise, it is his method, and he will bear the responsibility for it."

The Israeli is nothing if not a creature of habit. The list of national addictions is imposing, a palette of preoccupations daubed with the likes of acrid cigarettes, sunflower seeds, football lottery tickets and bizarre investment schemes. No habit is more pervasive, however, no addiction more compelling, than the urge indulged, in advanced cases, at least once each waking hour the Israeli's insatiable passon for news.

Throughout the nation on stifling buses thousands upon thousands of passengers, disparate in national origin, class, mode of dress and educational background, simultaneously lower their gaze to their watches in pace with the electronic beeping that precedes the radio news. (There are four long daily radio news magazines in addition to the hourly broadcasts.) In small settlements as well as in metropolitan centres the arrival of the afternoon newspaper editions is an event of no small import. Every night the apartment complexes lining city streets turn into gigantic relay speakers for the broadcast of the nightly television news; rare is the family for whom the rainbow logo of the nine o'clock broadcast is not a fixture of the evening ritual. Prime Minister Shimon Peres actually recommended reducing the number of daily broadcasts since the news, in turn, makes news happen. But even the newsmakers themselves daily time their political alarm clocks to ring at nine p.m.

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PALESTINIAN AFFAIRS

IMPLICATIONS OF COLLAPSE OF JORDANIAN-PLO DIALOGUE ANALYZED

Paris AL-MUSTAQBAL in Arabic 1, 8, 15 Mar 86

[Article by Salim Nassar: "Jordan and the PLO: a Final Separation or a Temporary Estrangement"]

[1 Mar 86 pp 14-15]

[Text] Has the door been closed on "that last opportunity" under the strategic Jordanian-Palestinian agreement of which King Husayn spoke of for a whole year?

Although King Husayn announced the end of the first round of peace efforts in the longest speech he ever delivered since becoming king 34 years ago, the door to political activity will remain slightly open, and an opportunity for dialogue will continue to exist. A new round of talks, which may differ from those of the 11 February 1985 Agreement, can thus be started. This is because a temporary hiatus or a deadlock would require the removal of barriers to negotiations and encourage the military option if the number of those opposing the peace process grows. Israel's prime minister took quick action to silence the advocates of war by asserting that he would not abandon the peace effort even if 1,000 obstacles were to emerge. Peres defended his government's position of refusing to negotiate with the PLO, and he said that King Husayn's failure to persuade Yasir 'Arafat to go along with the proposed formula gives Israel the right to refuse negotiations with the organization. In his address to the Knesset Peres announced that he would wait for King Husayn's next plan.

Under such cloudy political skies it was natural for Abu 'Ammar to take the initiative and rule out any negative effect on relations between Jordan and the organization. He reiterated his commitment to the 11 February Agreement and to everything required by common actions for peace. Abu 'Ammar explained that position at an AL-AHRAM symposium which was conducted by Lutfi al-Khuli. The Palestinian leader reviewed the previous stages that coincided with these formulas, and he said that he could not deal with Resolution 242 because it views the Palestinian people's question as a question of refugees and not as that of citizens with legitimate national rights. He defended his action to pull out at this critical stage by saying that Washington had turned down the three formulas that he had submitted to it through Prime Minister Zayd al-Rifa'i. The first one of these formulas had been drawn up by a group of Palestinians, including four academicians who understand how the American mind works. Dr Hasan al-Zayyat, Egypt's former minister of foreign affairs who happened to be in Amman at the time, took part in drawing up the second formula. That formula was presented to King Husayn by Dr al-Sharidi after sections were added that have to do with inviting the PLO to join a Jordanian-Palestinian delegation as an equal party to an international conference at the Security Council; that conference will be one that can take action. King Husayn then added a few terms he thought were necessary. But the Americans rejected that version unequivocally when it was submitted to them a second and then a third time. This is because the PLO had linked self-determination with all UN General Assembly and Security Council Resolutions, and it had asked the United States for a written statement pledging support for Palestinian self-determination as stipulated in the Jordanian-Palestinian Agreement.

But what are these previous resolutions that have to do with the question of Palestine? What are these resolutions that the U. S. administration conveyed to the Israeli government and then rejected?

To the Israeli government the most dangerous of these resolutions is UN Resolution 181 which was issued in 1947. That resolution called for the establishment of a Jewish-Arab state within what were then the borders of Palestine. The Jews had then agreed to the establishment of such a state. This resolution was followed by Resolution 194 of 1948 which called upon all Arab refugees, who had left Palestine, to return to their country provided they renounce the principle of compensation.

Peres and Shamir think that accepting these two resolutions would be tantamount to accepting the demise of the Jewish state and forgetting about the dreams for a greater Israel. It would also mean agreeing to the return of 3 million Palestinians. It seems that Richard Murphy, the U.S. assistant secretary of state was conveying the Israeli government's position when he said that Washington refuses to recognize the Palestinians' right to determine their own destiny because that would be tantamount to agreeing to the establishment of a Palestinian state. When he examined the three formulas, he indicated that the United States regarded the Palestinian question as more than a refugee problem. That is why the United States supports Palestinian autonomy in a partnership with Jordan, but it is reluctant to reach a position on Palestinian rights without negotiations. It is Mr Murphy's opinion that self-determination for Palestinians must be considered within a regional framework. This means that Washington does not agree to the establishment of an independent Palestinian state. Instead, it wants autonomy for the West Bank and Gaza in return for rejecting Israel's occupation or annexation of territories it occupied in 1967.

According to Palestinian sources the British are saying that Sir Geoffrey Howe, the foreign secretary, was the one who proposed adding the English word, "pertinent." This is the word that made Americans wary and cautious because it linked the resolution recognizing Israel, Resolution 242, with two other UN resolutions, 181 and 194, thereby creating considerable ambiguity regarding the Palestinian state. This was not the first time for the British to come up with ambiguous formulas. Resolution 242, which was composed by George Brown and rewritten by Lord Carrington, is a most ambiguous resolution because it can be interpreted in more than one way. Israel's interpretation of "withdrawing from territory" gives it an excuse not to withdraw from all the land it occupied because the withdrawal is not specified. The same objection applies to the phrase, "secure and recognized boundaries." The resolution did not define what is meant by a just and lasting peace, nor did it define the final boundaries. Such ambiguity is sought deliberately to give negotiators opportunities to rely on their own competence and cunning to make new gains in the course of negotiations only. Resolution 242 was written in a manner that would require negotiators to resolve those ambiguities. When a resolution is not understood and when it is ambiguous, difficult to apply and needs interpretation, then the need for negotiations between the parties to a dispute remains a basic condition for resolving the crisis.

The February Agreement and the Estrangement or Separation of Jordanians and Palestinians

The question that is being asked now in Arab capitals has to do with Jordan's attitude toward Abu 'Ammar. What will happen next when all the factors for peace or war converge?

Arab diplomats in Amman are saying that Jordan's position is leaning toward stepping up actions against Abu 'Ammar. Evidence they cite begins with King Husayn's address which denied the PLO leader's commitment and credibility. The evidence includes the declaration made by Jordan's parliament at its recent meeting. The Parliament declared that Jordan had adopted the Palestinian question even before the PLO was founded. The evidence also includes official statements asking Palestinians to come out with a new decision about who should represent them. This stepped up campaign against 'Arafat will inevitably lead to the demise of the February Agreement and the cancellation of the partnership between Jordanians and Palestinians. It may also strip the PLO of its legitimacy and its status as the sole representative of the Palestinian people.

Apprehensive about the consequences of the collapse of the talks, the PLO's leaders sent Abu Iyad to Amman to mend fences, to stop the stepped up campaign against 'Arafat and contain its consequences with the assertion that, "We've agreed to disagree." Abu Iyad thinks that differences in points of view must be based on accord and on an appreciation of circumstances. Thus bilateral relations between Jordanians and Palestinians would not be affected by this setback, and the strategic Jordanian-Palestinian agreement would not have to be abandoned. Observers are interpreting this cautious step as a final attempt to forestall the failure of the peace process by describing what is happening between Jordan and the PLO as a "temporary estrangement" rather than a "final separation."

The PLO was expected to issue a detailed statement about the recent crisis in which Abu 'Ammar would reaffirm his commitment to the Jordanian-Palestinian Agreement and his willingness to attend an international conference that can take political action to grant the Palestinians their right to determine their own destiny. Abu 'Ammar thus wanted a temporary, not a permanent suspension of the Amman talks, after holding the Americans responsible for the failure. The statement would affirm that Washington's conditions would have no negative effect on relations between Jordan and the organization. But the statement was delayed for numerous considerations, most importantly the stepped up campaign against Abu 'Ammar and the effect the failure of the talks had on bilateral relations. All the evidence indicates that Amman is willing to endorse a new political step that could end its partnership with the PLO.

Abu 'Ammar's opponents are critical of his political move. They say that as leader of the Palestinian Revolution he cannot write himself off and agree to Resolution 242 because recognition of that resolution would be tantamount to the merciful execution of his own as well as his colleagues' struggle. Recognition of Resolution 242 would mean the merciful execution of the constitution to whose articles he has been committed. 'Arafat's opponents are saying that no one but the Palestine National Council [PNC] can accept Resolution 242, because the council is the highest legislative authority in Palestinian politics. This means that 'Arafat, members of the PLO's Executive Committee, or members of Fatah's Central Committee cannot unilaterally accept a historical resolution such as Resolution 242 without checking with the PNC. Jordanians are blaming 'Arafat and criticizing his reluctance in that regard because he wasted time procrastinating and delaying matters without stating an unequivocal opinion on the resolution. But 'Arafat justifies his procrastination by saying that he was exploring the U.S. position and its willingness to link Resolution 242 with self-determination for the Palestinians even in the context of a confederation with Jordan, as was mentioned in the three formulas that were sent to Washington.

Abu 'Ammar states that he gave King Husayn his preliminary approval when the king visited Washington in late May 1985. The Jordanian monarch then announced this common desire in a statement he made in front of the White House. The king then said, "I have assured President Reagan that in light of the Palestinian-Jordanian Agreement signed on 11 February, and as a result of my talks with the PLO, and on the basis of our confirmed desire for peace, we"--that is, the king and the PLO--"are willing to negotiate in the context of an international conference that would be convened to achieve a peaceful settlement based on UN pertinent resolutions, including Security Council Resolutions 242 and 338."

Despite that opportunity, described by the Jordanian monarch as "a unique opportunity for peace," the U.S. position remained unable to expand its international umbrella and commit itself to an unambiguous policy that would involve more than its mere attendance at the Security Council. That is why Abu 'Ammar was apprehensive, and that is why he feared that the international conference would turn into a mere effort for mediation and reconciliation after which direct talks would be resumed. That is why he asked the United States to give the Jordanian monarch a written pledge that it would support the Palestinians' right to determine their own destiny as stipulated by the Jordanian-Palestinian Agreement. Murphy declined to make such a pledge because, in his opinion, such a pledge would be equivalent to agreeing to establish an independent Palestinian state. Murphy is convinced that the United States should not impose a solution, but that it should help the conflicting parties find a solution themselves. Since the parties in the conflict must also be the parties in the peace, they have tried regularly to drag the superpowers into the conflict and win their support for their efforts to reach a settlement. But when Washington felt that it was being asked to share the responsibility with the PLO, it pulled back because it feared the effect of Israel's pressure. The PLO also pulled back because it feared what the rejection front and Arab countries opposed to such action might do.

Israel, the PLO and Resolution 242

One of the questions frequently asked by those who are trying to find a political solution to the crisis in the Middle East is this: Can those who were involved in wars with Israel forge a peace with that country?

In the course of his observations on actions that are taken to achieve peace Abu 'Ammar would always tell his colleagues that he would never choose a position that would turn him into a Palestinian al-Sadat. This is evident in how the peace process has been pushed forward only to be aborted by the use of force or by the refusal to pursue a course that would promote progress in the talks. In 1977 'Arafat faced a difficult situation with regard to Resolution 242, and he was at a loss how to react to the test of settling the ongoing conflict between him and those who were calling for a military solution. That happened after King Fahd ibn 'Abd-al-'Aziz, who was then the crown prince, returned from Washington after meeting with President Carter. King Fahd had talked with President Carter about the Middle East crisis and had given the president a complete file on the Palestinian question. At the end of the Saudi official's visit the U.S. president indicated that he was touched by the justice of the problem, and he said that reading the file had created in him a sense that an international umbrella had to be provided to ensure a political solution to the problem. President Carter said he would be willing to receive Yasir 'Arafat in the White House as the chief of an independent Palestinian state, provided that 'Arafat recognize Resolution 242. When the idea was proposed to Abu 'Ammar, he presented it to the PLO's leaders, and they decided to accept it. But as usual in such affairs, Abu 'Ammar proposed that idea in a manner that provoked the opposition of the National Movement in Lebanon. He was thus compelled to qualify his written approval, and those qualifications made any progress for peace difficult to achieve.

A sense of apprehension about what the stage of talks might yield may be what is causing Abu 'Ammar to avoid taking action and settling the matter of trading land for peace. To 'Arafat Palestinian negotiators are in a tight spot because they lost many of their military and political options with Arab countries and in the international community. Although 'Arafat would have the legitimate right to negotiate if he recognized Resolution 242, the peace that is being proposed may be exploited by Israel to add conditions that may be difficult to achieve. Palestinian negotiators would then have lost their option on the land, and they would have given up their option to fight. Such a situation could put an end to the Palestinian struggle, and it would create new political facts that would put an end to the PLO and its followers.

When the Palestine National Council met in Cairo in March 1977 Yasir 'Arafat addressed PNC members and spoke to them about Waldheim's mission in the area. He told them how the UN secretary general had met with some PLO representatives, including Basil 'Aql and Muhsin Abu Mayzar when he was visiting Damascus. Waldheim told everybody that the superpowers had entrusted him with a conciliatory mission that required making preparations for an international conference in Geneva. That is why it was incumbent upon him to activate the peace process in the context of a conference that would deal with peace in the Middle East. After Waldheim ended his tour in the Middle East, he went to the Sheraton Hotel in Cairo where he told Yasir 'Arafat, "I met the head of the Israeli government, Yitzhak Rabin, and his deputy, the minister of foreign affairs, Yigal Allon. I explained to them the point of view of the superpowers in question and the possibility of convening a conference in Geneva that would be attended by Egypt, Syria, Jordan, Israel and the PLO. That conference would be sponsored by the countries that are members of the UN Security Council. But when I started talking about a scenario for the settlement and the idea of trading land for peace through Resolution 242 as well as other resolutions that have to do with the Palestinian people's right to determine their own destiny, to become independent and to receive compensation, Rabin"--the current minister of defense"--looked at me and spoke tersely. Rabin said, 'Let it be known that the Israeli government will not recognize the PLO even if the PLO recognized Israel. Israel will refuse to accept that recognition.'"

That incident stuck in Abu 'Ammar's memory as a reminder of Israel's unswerving and fixed policy. It created in his mind a firm conviction that trading land for peace would be nothing more than a protracted process whose purpose would be to deplete Arab momentum and drain Palestinian fighters. For 17 years 'Arafat has been trying to ensure a Palestinian consensus to regain part of the land that has been stolen in the West Bank and Gaza Strip. Because no such consensus has evolved and because such a consensus is difficult to achieve after the departure of the armed resistance from Lebanon, 'Arafat discovered that he is unable to realize the second objective. And that is 'Arafat's real dilemma: he fell into the trap of a conflict between what is useful for his survival as chairman of the PLO and what is good for the survival of the cause in the hearts of those who are fighting for it.

Next week Salim Nassar will resume this discussion. He will be writing about the period that followed the collapse of the Amman talks and about the mercy killing of the Jordanian-Palestinian Agreement.

[8 Mar 86 p 14]

[Text] Why Moscow Refused To Receive Abu 'Ammar as Head of the Palestinian Delegation

What will the chairman of the PLO's Executive Committee do now after the recent talks in Amman collapsed?

The political decision had focused on issuing a brief statement in which Yasir 'Arafat would explain why the three American formulas were not accepted. He thought that Washington would not recognize the PLO even if the PLO accepted Resolution 242. But 'Arafat postponed taking that position, and he did not issue the statement of clarifications. It were as though he did not wish to intensify the dispute with Jordan and become involved in the media campaign which Amman had initiated. That is why he decided to contain the problem and to go to Moscow so as to ensure a political cover. He expected his visit to Moscow to be seen as some kind of gesture by means of which Moscow would embrace his recent decision. But the Soviet response was disappointing because the Soviets wanted Abu 'Ammar to go as a member of the delegation and not as its leader. When 'Arafat declined to go to Moscow under that condition, Moscow suggested that Abu-al-Lutf go in his place. That compromise would not anger Damascus, and it would not provoke Amman. This was important because 'Arafat's visit was to coincide with the 27th annual congress for the Communist party. It also coincided with preparations that were being made for starting a new international climate with the United States.

Observers in Arab capitals took the Soviet condition to mean a new lesson in dealing with the chairman of the PLO's Executive Committee. At the very least, the Soviet condition meant that Moscow was endorsing the role of an alternate--that is, Abu-al-Lutf--a man to whom Moscow always alludes. Moscow considers Abu-al-Lutf its preferred candidate to inherit the leadership of the organization. 'Arafat, however, sees Moscow's position as one that is calculated. He does not think it is intended to overlook or minimize the importance of his role as much as it is a calculated action that would set in motion a political move to unite Palestinian leaders after the failure of the American mediation effort. 'Arafat argues that Soviet ambassadors in Baghdad, San'a' and Amman continued to visit him while the talks were underway, and they encouraged him to reject Resolution 242 because the Soviet Union had not joined the United States in considering any arrangement pertaining to an international conference. Such advice may have been one of the most important reasons that prompted 'Arafat to turn down the American proposals because recognition without the conference would have spontaneously aborted the pledge by the Reagan administration.

Some information was revealed this week about the final offer that was made by Cluverius, Murphy's special assistant in the peace process. This is the offer that is made up of two separate paragraphs.

Paragraph A states that the PLO would be willing to recognize Security Council Resolutions 242 and 338 within the framework of an international conference convened to achieve a peaceful settlement in the light of the Palestinian-Jordanian Agreement.

Paragraph B, which is printed on a separate sheet of paper, states that the PLO would continue its efforts through the international conference to carry out UN resolutions that are related to the Middle East crisis and to the Palestinians' right to determine their own destiny. When Cluverius objected to the proposal, he told mediators that his country would abide by the first paragraph and recognize the PLO as the legitimate representative of the Palestinian people. That would solve the Kissinger problem and bring the PLO to the negotiating table. But since Washington would not be bound by the second paragraph, then the matter of self-determination would remain tied to Israel's position and to the magnitude of international pressures on it.

Abu Iyad, who had rejected Murphy's plan last spring when the Executive Committee and the Central Committee were meeting in Baghdad, announced he was rejecting Cluverius's plan. Abu Iyad said that with this plan Reagan hoped to upset the Palestinian political position, more than the war in Lebanon had already upset it militarily. That brought to mind what Ibrahim Kamil, Egypt's former minister of foreign affairs had written about Israel's twisted methods in dealing with Egypt. Mr Kamil described how Israel had contravened the principles of the agreement and turned the Camp David Accords into a trap for Anwar al-Sadat. Abu Iyad thought that after Israel gets the recognition of its existence in accordance with the first paragraph of the plan, it will refuse to acknowledge the legitimate rights of the Palestinian people.

One day after the talks failed, the PLO's leaders suggested that Abu 'Ammar stay in Amman as long as possible to prevent the collapse of Jordanian-Palestinian relations. But 'Arafat's presence in the Jordanian capital was undesirable since all officials were trying to find out from the delegation accompanying him when he was going to leave. Their tone indicated that the desire that he leave the country was official. Abu Iyad was asked to go to Amman immediately to help contain the crisis before matters got worse. At the same time Cluverius went to Israel where he explained to Shimon Peres the circumstances of the talks and informed him that the peace process to which Murphy had assigned him was dead. But the prime minister of Israel refused to accept that situation, arguing that it was the Jordanian-Palestinian talks that had failed. Peres said that his country would continue to push for progress in the peace effort, and he accused the Soviet Union of applying pressure on Abu 'Ammar to refuse to recognize Resolution 242. He declared in an interview published by American newspapers that Jordan could effect a breakthrough in the negotiations: on the one hand, it could join Egypt and the United States in putting pressure on the PLO once again; and, on the other hand, it could join Syria without the PLO.

But all those doors have now been closed. Jordan is raising doubts about the legitimacy of the PLO's representation of the Palestinians, and it is asking the Arab League to convene a conference that would reconsider that responsibility. Jordan thinks that Abu 'Ammar, preoccupied with the problems of government, has not devoted enough attention to efforts to regain the land. In this regard Jordan sees eye to eye with Damascus, which believes that the mere acceptance of the principle that land would be traded for peace is a declaration that the battle to liberate all the land is being relinquished. That Syrian position became quite evident in the talks that Mr Faruq al-Shar', the foreign minister, had with Mrs Thatcher and Minister Geoffrey Howe. Mr al-Shar' closed the door to the American peace process and said that going back to the historical roots and political causes of the Palestinian question remained the best solution to the problem. The reasons for terrorism would thus be eliminated, and Palestinian rights and occupied Arab lands would be regained. Mr al-Shar' criticized U.S. policy and European initiatives which give Israel the right to a new mandate in the region by supporting the principle of negotiations with pre-conditions, such as the occupation of land and the usurpation of Jerusalem as Israel's permanent capital.

It seems that what happened in Egypt recently was not unrelated to this crisis. That is why Abu 'Ammar left Cairo feeling that President Mubarak would not be able to make a new effort in the peace initiative because of objections that exist to Camp David. The domestic crisis that erupted [in Egypt] after the failure of the Amman talks prevented Cairo from doing anything in that regard. The burning of the American hotel and the hotel where talks with Israel were held were the clearest indicators that the open-door policy and everything it entailed were being rejected.

Salim Nassar will resume this series next week when he writes the third article in the series about alternatives to the failure of U.S. initiatives in the region.

[15 Mar 86 pp 18-19]

[Text] Israel Prepares To Annex the West Bank

> Will the Palestine National Council be convened to elect a collective leadership for the organization?

The PLO issued a statement whose tone was calm, flexible and liberal clarifying King Husayn's address. It concentrated its political attack on the United States, regarding its position, which is allied with Israel, as one that will impede every effort that is made to achieve a just peace in the Middle East. Then an interview with the PLO's chairman, Yasir 'Arafat was published in AL-QABAS Newspaper and AL-YAWM AL-SABI' Magazine [The Seventh Day]. That interview closed all channels of communication with Amman and wiped out every effect left behind by the year-long effort to normalize Jordanian-Palestinian relations.

In the aftermath of the Jordanian monarch's address it was normal for the peace talks to be frozen and for the PLO to disavow the consequences of Resolution 242 and everything that was imposed on it by those who wanted to reach a settlement. This is what is building up the fear in international circles that the failure to reach a solution to the Palestinian question while Shimon Peres is in office could jeopardize the peace process with Egypt. Israel could go back to where it started as the debate about its historical legitimacy in the region starts all over again. Faruq al-Shar', Syria's minister of foreign affairs, emphasized this point in particular during his talks in London and Vienna, especially when Mrs Margaret Thatcher raised the subject of terrorism and the dangers of Yitzhak Shamir becoming prime minister next October. The Syrian minister told Mrs Thatcher that the Likud and the Labor party were two sides of the same coin. He told her that the United States had lost its bet to foil the existing coalition and bring to power a Labor Party majority which would assume the leadership for a settlement after talks between Amman and Yasir 'Arafat collapsed.

It seems that opposition parties in Israel tried to take advantage of the fact that the formula of trading land for peace had failed. Last week it put the matter of annexing the West Bank and Gaza to a vote. Peres warned against the demographic danger of such an action during the debate, and he indicated that annexation could undermine the Jewish state's objective to preserve its character. It would violate the Camp David Agreement with Egypt, and it would escalate the atmosphere of war with Syria. Aba Eban, who described that session as a mere test of what the Likud coalition would do over the next 2 years when Shamir serves his term as prime minister, supported Peres's position. Aba Eban thinks that the increase in the number of Arab residents on the West Bank and Gaza Strip will make the Jews a minority by the end of the century. This means that in the nineties Israel will face the danger of internal, political and social fragmentation. As a result, there will be numerous denominations and ethnic groups and communities. In light of these warnings the Labor Party, which considers itself the historical founder of the Jewish state, agreed to grant the Palestinians an entity on the West Bank. That entity, which would not be independent and would be disarmed, would depend administratively and politically on Jordan and Israel. But that choice was no longer adequate to move the peace talks forward after the PLO withdrew from the settlement in a manner that precluded common action.

The U.S. administration sent Richard Murphy this week on an urgent mission to the region to conduct talks with Arab and Israeli leaders. In the course of those talks Murphy tried to explain Reagan's policy and justify its inability to break the deadlock in the peace process because of Israel's contradictory decision and the Palestinian position which opposes it. American bets may have been based on erroneous expectations about the possibility that Abu 'Ammar might approve Resolution 242. If such a step would materialize, it would give Peres an opportunity to end the frail coalition and hold new elections from which the Labor Party could emerge a stronger force. But since these possibilities have collapsed, Murphy is going to the Middle East with new choices [to try] to bring about a breakthrough in three areas in the policy to revive the settlement.

1. Putting pressure on Israel to make it reconsider the possibility of holding talks on withdrawing from the Golan and accepting the Soviet Union as a principal partner in the international conference.

2. Dealing with Syria as a state authorized by Arabs and Palestinians to deal with numerous questions that are pending in the region, such as the war between Iraq and Iran, the Lebanese crisis, or the various aspects of the Arab-Israeli conflict.

3. Making an effort to get the countries of the region out of the cycle of war, particularly since peace plans made an outbreak of hostilities likely. This is what the newspaper, AL-BA'TH, suggested when it warned against Israeli preparations for a broad-based military adventure against Syria.

The Americans are saying that the failure of the peace talks has strengthened the conviction that the Soviets have succeeded in ending the settlement that Washington had prepared without them. This means that it would be difficult to keep the Soviets out of any solution to the Middle East crisis. However, the desire to bring them into the circle of the regional conflict runs counter to the Pentagon's plans and the plans made by the powers that control major economic and industrial sources. That is why Reagan discovered there was no consensus within the administration and Congress favoring regional solutions over strategic interests and considerations, which regard the Soviet Union as a primary threat to the West's influence in various regions of the world. The other perplexing question is manifested in the extent to which the United States is willing to share an international role in the region with Moscow as well as the extent to which the Israeli government will go along with the concessions it is being asked to make.

The Future of the West Bank and Israel Proper

European capitals think that the announcement that coordination between Jordan and the PLO would be frozen constitutes a lost opportunity to achieve peace. Margaret Thatcher says that Shimon Peres has lost hope of stabilizing his political course. She says that will bring Shamir to the prime minister's position next October. Mrs Thatcher is saying that 1986 will be a calm year, compared to the dangers that 1987 and 1988 will bring when Yitzhaq Shamir is in office. Mrs Thatcher thus agrees with King Husayn, who is expecting violent clashes in the Likud's administration, because Sharon will become the prime architect of Shamir's policy. He will become the chief executive of the expansionist plans on the West Bank or in south Lebanon. This means that he will contrive problems to force people to leave those areas or to expel them to the east to create demographic or social upheaval in the Jordanian kingdom. Since he considers Jordan the alternative homeland for Palestinians, Sharon opposes a settlement on the future of the West Bank because maintaining the West Bank's status quo is necessary to keep opportunities for geographical expansion open.

Observers expect the policy of the Likud and extremist religious parties in Israel to create conflicts with Labor Party leaders who consider a non-violent plan to rid the West Bank of Arabs one way of getting foreign aid. This is because oppressive practices against Palestinians who have been denied their political rights will cause Israel to lose the means it has used for 40 years to get money from other countries. In the eyes of the free world Israel will lose the quality of being "a civilized country." In addition to these factors the policy of subjugating neighboring peoples to the law of tyranny will threaten Israel's stability and security and will affect morale in the army and in the regime. That is what happened in the case of south Lebanon.

However, the Likud coalition's policy stems from different assumptions which were summarized by Shamir and Sharon in an anti-peace strategy with the Arabs. The most important items of that strategy are:

1. To create conditions inside the West Bank that would induce Palestinians to leave the area and go to Jordan. The purpose of this is to turn Palestinians into a minority in other societies and to keep revolutionary forces far from the borders of greater Israel.

2. To make an effort to create geographical, political and human facts that would require expansion within the West Bank so as to allow for new immigrants from the Soviet Union, from the countries of eastern Europe and from the United States. The goal is to make the population of Israel exceed 7 million persons by the end of this century.

3. To abolish the idea of trading land for peace because Arab countries do not have an agreement about a solution, and they are unable to use military force to capture the land. Since Arab disunity has weakened the position of the Arab negotiator, accepting the principle of a settlement is considered an Israeli concession that should not be made as the Labor Party seems to be making it.

4. To make preparations while the Likud is in power for launching a military strike against Syria before Syria arms itself and completes preparations which are based on a strategic balance, or before Syria launches a sudden strike against Israel that it would coordinate with Jordan, just as it did in 1973 in conjunction with Egypt.

To the Arab countries this policy constitutes a new situation that is comparable only to that which developed when Menahem Begin was in office. Opposition forces within the government coalition may succeed in delaying some questions, but they will definitely be unable to resolve vital problems, chief among which is the agreement among all parties over the creation of a strong regional state that would not be restricted by geographical conditions such as those that are being imposed by the Palestinian Resistance on the West Bank and in Gaza, or those that are being imposed by the Lebanese Resistance in south Lebanon or by Syrian preparations around the Golan. These strategic requirements for Israel's security make its borders unsettled on all fronts. They also keep Israel in a constant state of alert against possible dangers.

'Arafat between Separation and Estrangement

After King Husayn announced that the Jordanian-Palestinian Agreement was no longer in effect, the other party's opportunity to "negotiate" expired. That opportunity had been proposed by Shimon Peres at the General Assembly. Since Arab extremism generates Israeli extremism and vice versa, Abu 'Ammar's recent declaration in the newspaper, AL-QABAS, was interpreted by his opponents as a strategic retreat disguised as a tactical review. No matter how contradictory individual interpretations of his political position are, all tendencies of the Palestinian forces are making preparations for a collective decision that will be based on new facts on the Egyptian scene and inside the West Bank, particularly since the separation that was announced by both parties--King Husayn and 'Arafat--left a vacuum in Jordanian-Palestinian relations. That vacuum is considered to be a blow to the coordination formula, and it is also considered to be a blow to the "land for peace" slogan.

Statements made by Yasir 'Arafat may cause one to conclude that he will continue to defend himself until a new international opportunity presents itself that would allow him to emerge into a new role. One notices that 'Arafat exploited reactions against the assassination of Zafir al-Masri, the mayor of Nablus. It is expected that West Bank residents will be used to revive his frozen role, and it is also expected that campaigns between him and the Popular Front will be escalated in the aftermath of Dr George Habash's address. In that address Habash called for the formation of a reliable collective leadership for the PLO. Abu 'Ammar ruled out the possibility of convening the PNC because he is convinced that opposition forces would turn it into a courtroom and demand the establishment of a collective leadership. The Soviet Union may be behind that new course of action which was welcomed by the Popular Front and supported by the Democratic Front and the Palestinian Communist Party. Based on preparations that would be made for the coming stage, it is assumed that Palestinian leaders would meet in 3 years at the 17th session of the Palestine National Council to plan a political course that would be compatible with regional and international changes. Syria and Jordan might not oppose such a course even though it might be impossible to carry out.

But before such an attempt is made, there are numerous pitfalls that could lead Abu 'Ammar to up the political ante and step up the military position inside the West Bank and south Lebanon, especially since the Palestine National Council will look into the creation of a collective leadership that would limit his authority. The PLO chief will also propose a new plan to resolve the crisis that Palestinians found themselves in when they were forced to choose between two diametrically opposed choices: war and peace together. This is exactly what happened in Jordan and in Lebanon through a policy of alternating the revolution and the state. The result of that policy was a double bind in which the state was lost, and the revolution dissipated.

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SALAH KHALAF ON POLITICAL ASSASSINATIONS

London AL-MAJALLAH in Arabic 12-18 Mar 86 p 17

[Interview with Salah Khalaf: "Abu Iyad Calls for Reconsideration of the Cairo Declaration, Tells AL-MAJALLAH, 'We Started a Stage of Covert Activities; Execution of Spies Will Be Resumed;'" in Tunisia; date not specified]

[Text] Salah Khalaf, [alias] Abu Iyad, is the second man in Fatah and the Palestinian Revolution's security official. In this interview conducted with him in Tunisia, Mr Khalaf talked about the assassination phenomenon. He called for reconsideration of the Cairo Declaration which stipulated that foreign operations be stopped. Salah Khalaf indicated that Fatah would resume its policy of executing those he called "spies and people who do business with the enemy." The text of the interview follows.

[Question] There are organizations that declared responsibility for the assassination of Zafir al-Masri. How do you explain that, and who, do you think, was responsible for that assassination?

[Answer] I think Israel's Mosad is the only organization whose interests are served by al-Masri's death because his appointment mayor of Nablus was part of the unilateral implementation of the autonomy plan. One condition to his appointment was that he not interfere in political matters. But al-Masri, who was an enthusiastic patriot, continued to affirm that the PLO was responsible for the Palestinian question. His last statement in that regard was made after King Husayn's address. In that statement al-Masri announced he was committed to the organization and would abide by its decisions.

[Question] Since al-Masri's family is calling for revenge, there are those who expect a Palestinian civil war to break out on the West Bank and in other areas.

[Answer] That is why I said that Israel was the only beneficiary of the assassination. But I believe that our people, who believe in a democratic dialogue and who turned al-Masri's funeral into a referendum on their patriotism and commitment to the PLO, could never fall into such a trap. I must not forget to mention here that violations of the democratic dialogue slogan began in 1978 when Sa'id Hamami was assassinated in London. That is why Palestinians have reaffirmed that getting rid of Hamami served Israel's interests and no one else's. That is why I think that the PFLP's declaration of responsibility for that assassination was nothing but a deviation from its former course: the PFLP recognized an operation it had nothing to do with. Even if the front were involved in that action, I believe that it was forced into it by a shady organization.

[Question] It is known that Dr Wadi' Haddad, the second founder of the PFLP, supported covert activities and special operations, but he never used his weapons against Arab or Palestinian targets. Where did this new wave on the Palestinian scene come from?

[Answer] When he was alive, Dr Wadi' Haddad disagreed with his colleagues. There were three tendencies. The first one believed in taking action inside the occupied land only. Those who followed the second tendency, which opposed the first, thought that actions taken abroad were the foundation of their efforts. I believe that those who adopted the assassination of al-Masri followed that tendency. The third tendency, which was led by Dr Wadi' Haddad, split from the front after 1975. People who followed that tendency believed in taking action inside the occupied land and abroad. They relied on the theory that killing any Israeli or American official anywhere in the world was an inseparable part of the Palestinian people's struggle against occupation. Wadi' Haddad had his own methodology and philosophy of action which is based on the theory of pursuing the enemy everywhere. He rejected the killing of any Arab or Palestinian even if he subscribed to an opinion different from his own. Let me state here for the record that Arab organizations tried to get him involved in the elimination of Palestinians, but he refused that adamantly because he had no ties with any Arab intelligence organization.

Resumption of Foreign Operations

[Question] You stopped foreign operations a long time ago. Are you still adhering to that policy?

[Answer] We think that actions inside the occupied land constitute the foundation of our efforts. In 1974 our National Council decided to stop foreign activities at the request of Arab countries who recognized the PLO as the sole, legitimate representative of the Palestinian people. That decision was made because some of us believed that a glimmer of hope for a political solution was appearing on the horizon. Others, however, were convinced that liberation could only be achieved by using weapons. And now that we can review what happened in the past, we will find that the consequences of our past experiences were nothing more than setbacks, conspiracies against our revolution and our people, and attempts to shirk commitments made to our people and the PLO. Consequently, some people began to flout the PLO because they thought it was dead and powerless. That is why I believe we must reconsider the aforementioned decision. The recent Cairo Declaration must be reconsidered, especially since the other party violated the declaration and continued its operations against us. I am saying that all our previous military and diplomatic policies must be reconsidered. This is important because some people now believe that we have become a burden to them. Let me say here that the cycle of covert activities has been started once again. We are in the process of expanding that cycle, and we will expand it. We will soon prove what we are saying this time.

[Question] Doesn't this mean that you may become involved in a cycle of political assassinations, which you have been warning against?

[Answer] I mean every word I say, and I'm aware of every word I say. There is a difference between political assassinations and executing spies and traitors. We will not sit in judgment on patriots and fellow citizens with whose opinions and independent interpretations we disagree, but let me say unequivocally and affirmatively that we will not hesitate to carry out any action against those who secretly and publicly fight against our revolution.

[Question] Don't you believe that this will increase efforts to pursue you? Palestinian leaders have been targeted for a long time, and they are being pursued by assassins whose guns are equipped with silencers.

[Answer] That is not new. Let me say here that if Israel has been trying to chase us away with its airplanes, and if others have been hounding us with their "silencers," others have been trying to assassinate us politically. And that is even more dangerous because their objective is to put an end to our cause. Those people have been trying to force us into a significant departure from our understanding of the problem and our conditions, chief among which is the right for self-determination and the right to establish our state. Those who have been trying to force us to accept Resolution 242 are trying to assassinate us politically. But we will not be silenced, and we will not make it possible for them to do that.

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PALESTINIAN AFFAIRS

PLANS TO RESTRUCTURE PLO CONSIDERED

London AL-MAJALLAH in Arabic 12-18 Mar 86 pp 17-18

[Article by Salih Qallab: "Secret PLO Organizational Decisions Made after Reaction to the Collapse of Coordination with Jordan; 'Generals' of the Liberation Army Asked To Retire; PLO Reorganized To Restore Vigor and Stop Excesses"]

[Text] The recent Palestinian declaration in which the PLO expressed its reaction to King Husayn's address was preceded by heated and serious communications, deliberations and discussions that involved a broad sector of Palestinian cadres as well as Arab and foreign organizations and countries that are directly related to the region's developments and the PLO's positions.

What Abu 'Ammar and his colleagues in the foremost rank feared from the earliest moments was a repetition of the painful experiences of the past. They feared the onset of conflict and controversy among Palestinian officials; they feared that statements would be made and countered; and they feared there would be a state of utter confusion, similar to that which happened after the Palestinian leader's first visit to Cairo and on the eve of signing the Jordanian-Palestinian agreement last February.

Because Abu 'Ammar was concerned about keeping matters under control and keeping Palestinian leaders in control of the situation, he issued a decree barring bureau officials and "habitual" statement makers from indulging their habit this time because conditions were critical and the situation was dangerous. Any action that was not calculated could lead to a national disaster in light of the PLO's intense presence in Jordan. Abu 'Ammar did not want anything to infringe upon historical relations between Jordanians and Palestinians.

Although the information that Abu 'Ammar gathered while he was in Amman assured him that the Jordanian monarch would sooner or later do what he did do, Abu 'Ammar chose to tarry and wait and watch developments closely. During the days that preceded King Husayn's address, he was engaged in a series of communications. In addition, he made two visits. First, he visited Bucharest where he conducted lengthy talks with Romanian president Ceausescu; and second, he visited Cairo where President Mubarak told him about Egypt's attitude toward developments in Jordanian-Palestinian relations.

Ceausescu, who was the first to propose the idea of an international conference and who was the indirect link between the United States and the PLO, did more listening to 'Arafat this time than speaking. He thought that the Palestinian cause would suffer certain disaster if the PLO were to retreat one inch from its last stances. Ceausescu advised the Palestinian leader to play his hand carefully and unemotionally in accordance with careful and well-considered calculations.

Abu 'Ammar also received similar advice in Egypt along with an unequivocal plea to keep the doors with Jordan open. That plea was reiterated in a letter carried to Tunisia by Sa'id Kamal when Palestinian meetings there were in full swing. The Palestinian leader was asked not to respond to King Husayn's address at all and to let matters cool down so that action can be taken eventually to mend the rift and restore "the warm friendship that has been lost."

Palestinian officials report that Egyptian officials asked 'Arafat to tone down his actual hard-line somewhat and to talk about the Palestinian people exercising their right to determine their own destiny instead of talking about the right for self-determination.

Three Tendencies

Although Palestinian leaders are now fully aware that recent events in Cairo and their consequences will keep President Mubarak preoccupied for a long time, they have concluded, as they considered matters and examined their options, that Cairo is still willing to continue its efforts in three directions.

--First, Cairo is willing to work with Jordan to persuade it not to follow this course of action to its conclusion.

--Second, Cairo is willing to work with western Europe to induce it to take action to resolve the current crisis.

--Third, Cairo is willing to work with the United States to induce it to meet the PLO's three proposals halfway.

It seems that the willingness of Mubarak's government to help induced some Palestinian leaders to opt for waiting before announcing a response to the Jordanian step. Their feelings in favor of waiting were strengthened when they heard from official Arab sources that the results of communications with the American administration after King Husayn's address were not negative. Palestinian leaders were told that the Americans were still listening to those who were telling them that the PLO was an existing fact in the Middle East and that its legitimacy as a representative of the Palestinian people was confirmed by the demonstrations and marches that accompanied the funeral of the mayor of Nablus who was recently assassinated on the West Bank.

Although linkage between what is being said and Murphy's scheduled visit to Tunisia early this week, where all the Palestinian leaders are, could be no more than a matter of individual interpretation, it is certain that what Amman fears most at this time in particular is an attempt by the Reagan administration to find a new channel for talking with the PLO that does not involve Jordan. That is why Jordan is closely following actions by Tunisia and Morocco.

Trends and Opinions

The nature of the dialogue that prevailed among Palestinian ranks on the eve of their response to the Jordanian monarch's address is made clear by the first meeting that was convened by Palestinian leaders to look into the subject of that response. That meeting was not attended by Abu Jihad, who stayed in Jordan at the request of the command, and it was not attended by Khalid al-Hasan, who was in Kuwait. At that meeting several draft statements were discussed; all of them revolved around three positions that were simultaneously far from and close to each other. The first position was adopted by the "hawks" among the leaders; it called for a final break with Jordan and the abrogation of the Jordanian-Palestinian agreement. The second position, which was adopted by "the doves," called for the principle of "turning the other cheek." The third position called upon Palestinians to appear flexible but to maintain a hard-line substantive posture. It was that position, which was adopted by Yasir 'Arafat and his colleagues, that finally prevailed.

Despite these three positions which reflect different appraisals of the actual balances of power, an absolute majority of Palestinians in Palestinian leadership circles feel that the PLO's position is stronger now than it was in the past, particularly in the aftermath of what happened in the West Bank and after some East Bank activists declared their positions. These circles concur that the Palestinian response must be free from the derogatory remarks and passionate emotions which usually characterize Arab disputes.

Secret Decisions

One may notice from what is happening within the PLO that Palestinian leaders, perhaps for the first time in over 20 years, are free from fear for their positions, their organizations and their image in the country in question when making their decisions.

Palestinian leaders made another decision not to retract any position they took and not to make any new concessions even if that meant shutting down all the offices and organizations that were established in Amman during the last 3 years. The PLO basically considers these offices and organizations, including the camps of the Badr and al-Karamah forces, a burden to it and to the Palestinian Resistance.

A majority of Palestinian leaders, however, are trying to see to it that matters do not go that far, even though they consider shutting down the offices of WAFA, the Palestinian News Agency in Amman, to be the beginning of the end. Palestinian leaders are also trying to see to it that the PLO's official office is not closed, even if all other offices and organizations are. They want to keep the PLO's official office open because it symbolizes strategic relations between the PLO and the Jordanian government.

Questions and Possibilities

It must be affirmed here that all Palestinian leaders without exception have no agreement about the reasons that impelled the Jordanian monarch to take that step which he did take. Some are saying that Jordan believes that all opportunities to persuade the PLO about Jordanian fears for the future of the occupied land have been exhausted. Others are saying that Jordan has despaired of the possibility of persuading those who are supposed to be its partners that what is important is to get the negotiations started, not to proclaim the slogan of self-determination in the face of what the Jordanian administration is proposing.

In addition to all that, there are those who are wondering if the Jordanian monarch's step has anything to do with forestalling the Likud's return to power in the coming Israeli elections that may be held. Some are wondering whether what the Jordanian monarch did had anything to do with his rapprochement with Syria and with the fears of the entire area, including what is being said daily about solving the Palestinian question in Jordan and turning the Hashemite Kingdom of Jordan into "an alternative homeland" for the Palestinian people.

Most Palestinian leaders express their firm belief that King Husayn is the first one who understands the danger that calls for "an alternative homeland" pose to Jordanians as well as Palestinians. Those people are saying, "That is why the Jordanian monarch zeroed in on the problem despite the bitterness he expressed in his address when he affirmed that the agreement, which was the foundation of the relationship between the Jordanian and Palestinian peoples, cannot be impaired." And here, as is the case in Palestinian leadership circles, the information indicates that the Jordanian monarch listened with considerable interest to the observations that were made by his aides and by some senior Jordanian officials about surprises that could happen any time. It is being said that Prince Hasan, the crown prince of Jordan, and al-Sharif Zayd ibn Shakir, the commander of the army, were chief among those officials. In addition, members of the Senate, such as former prime minister Ahmad 'Ubaydat, also spoke to the king.

The Next Step

If these are the considerations and circumstances that impelled Palestinian leaders to reach the conclusions they did reach in the statement they issued in response to the Jordanian step, then the question that must be answered is this: Where does the Resistance go from here after what happened? Where does the Resistance go after its declared presence in Jordan was diminished? That Palestinian statement was prepared by a committee chaired by Abu 'Ammar. Abu Iyad, Abu Mazin, Muhammad Milhim, 'Abd-al-Rahim Ahmad and 'Abd-al-Razzaq al-Yahya served on that committee.

The answer to that question comes in what is being said about organizational and administrative decrees. This time these decrees were made in earnest to get rid of the PLO's previous excesses and laxity and to revitalize those organizations and institutions that were beginning to wear out and show signs of old age. Consequently, a large number of the liberation army's "generals" is expected to be placed in the reserves or to retire. A new mode of mobilizing and organizing forces that is compatible with the given facts of the new stage will be adopted.

What leaders of the PLO fear most is that the use of "silencers" become characteristic of actions taken in the next stage. Voices calling for deadly covert actions against some Arab targets rather than Israeli targets are becoming louder. PLO leaders will try to curb such calls and to look for new ways and methods to step up the armed confrontation inside the occupied homeland.

8592
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PALESTINIAN SOURCES ON ISRAELI PLAN TO STRIKE JORDAN

London AL-MAJALLAH in Arabic 19-25 Mar 86 pp 18-19

[Article by Salih Qallab: "Palestinian Sources in Tunisia Discuss Confidential Information about Israeli Plan To Strike Jordan"]

> [Text] Among the Objectives of the plan: to force Palestinians in Lebanon and in the West Bank to emigrate to Jordan and to give up the occupied land.

The statement issued by the PLO in response to King Husayn's address, in which the king announced that coordination with Palestinian leaders would stop, implied a clear warning against the plan for "an alternative homeland." That plan would attempt to solve the question of Palestine in Jordan instead of through Jordan. In his address the Jordanian monarch had stopped short of discussing his country's national security. He did that again a few days later when he addressed the fourth conference of Arab parliamentarians. King Husayn indicated that Jordan's support for the occupied land must not conflict with its national security, which he said was an inseparable part of pan-Arab security.

These suggestions and implications stirred up a problem that is both old and new. That problem has to do with Israel's efforts ever since it was founded to expand toward the East Bank and to turn that part of the region into "a permanent homeland for the Palestinian people" so it could extinguish their dreams of returning to their homeland and establishing their independent state.

Since these Israeli ambitions are neither a new discovery, nor the topic of the hour, what is it that is new? Why is it that warnings are being issued at this time in particular by two specific parties? Do these warnings merely reflect fears and expectations, or is there confirmed information about Israel's scheming intentions?

About 3 years ago, in 1983 to be specific, a senior Chinese official gave a Palestinian official information which stated that the Zionist movement had convened four conferences. The first conference was held in Bangkok for Zionist representatives in the Far East; the second was held in South Africa for Zionist representatives in the Dark Continent; the third was held in Paris for the movement's representatives in Europe; and the fourth was held in Canada for its representatives in the United States and Latin America. These conferences issued recommendations about the need to put into action the slogan of "an alternative homeland." They recommended that the United States be lobbied and that pressure be applied to it to achieve that objective.

In Egypt

There was a lengthy discussion recently between a principal official in Egypt and a senior Palestinian official about possible developments in light of the new situation between Jordan and the PLO. The Egyptian official, who is one of the decision makers in Cairo, talked about his country's fears of a military outbreak in the area. He mentioned there was information affirming that there were unusual Israeli military activities on the borders of Sinai, and he said that Israel was making preparations for some action. These were his exact words: "We may be affected by the effects of the outbreak of a new war in the Middle East."

When the recent Jordanian-Palestinian talks were in full swing, U.S. officials who had been staying in Amman made every effort to leak information warning about the Likud's return to power in Israel. They warned that Sharon's return to power at the head of that coalition would put the area once again on the brink of an explosion. In light of statements made by Israeli officials more than once, the Likud's and Sharon's return to power would provide an incentive for a repeat of the invasion of Lebanese territory.

Afterwards, some western organizations gave more than one organization in the area information about the anticipated invasion plan should the Likud come to power in Israel next October. They told them that the Israelis would cross the Jordan River and advance eastward because Jordanian territory was being used to launch operations against Israeli targets.

According to the script Israel's departure after that would be linked with political conditions all of which would serve the plan for "an alternate homeland." These conditions would create a situation like that which exists in Lebanon to overwhelm Jordanians and Palestinians and to distract all Arabs with a new crisis that would preoccupy them for scores of years. This part of the Arab homeland would be divided into small entities so that Israel's role in that area would be similar to that which Britain played years ago in the Commonwealth.

It seems--and this is not an assumption but rather confirmed information--that one of Israel's objectives is to force Palestinians in Lebanon and then Palestinians in the West Bank out of those areas and into east Jordan so as to create a demographic situation that could induce them to abandon the usurped homeland. Preparations could then be made in the occupied land to receive new waves of immigrant Jews.

It is known that the Jordanian monarch, the chairman of the PLO and other Arab leaders have been tirelessly warning recently about such a plan. In the period that followed Israel's invasion of Lebanon and the signing of the 17 May Agreement the need to force the Palestinian camps out of Lebanon and into Jordan was talked about openly.

The Military Plan

Regarding the anticipated military plan, the information indicates that authorized Syrian agencies are devoting much attention to the area that lies between the Jordanian borders and the occupied southern Golan Heights in the direction of al-Suwayda' in Jabal al-'Arab. These Syrian agencies believe that area will be the target of an Israeli attack to separate Jordan from Syria and prevent any Syrian supplies from getting through to support Jordanian forces.

The belief prevails that the second attack will come across the central valley in a line parallel to al-Salt and advance in the direction of the capital, Amman. The third line of attack will be across the southern valleys parallel to al-Karak, in the direction of the Desert Highway between south Jordan and the capital. It is believed that the goal of attacking that line is to apply military and political pressure to the area of the Gulf.

One notices here that while U.S. representatives traveling in the area were warning of such an attack, the United States tried to put pressure on the Jordanian government by freezing the weapons deal for Jordan. That was the deal that was estimated to be worth about 1.5 billion dollars. It is being said that carrying out that Israeli attack depends on the outcome of the Gulf War. Israel would carry out its attack in both cases. It would attack if the Iraqi army wins under the pretext of opposing an Arab party that proved its existence in the most violent war of modern history. Israel would also attack if Iranian troops advance from their present positions so as to intercept a constant danger which is advancing from the east and supported by large numbers of people.

A few days ago an Israeli newspaper revealed information in three related and consecutive articles about the possibility that a new war could break out. The newspaper revealed that three attempts had been made to carry out the new aggression. The first attempt was made after an Israeli intelligence group was killed in Larnaca by Palestinian guerillas. But that attempt was replaced by the well-known raid on Tunisia which was carried out on the advice of the Americans. The second attempt was made after the hijacking of the vessel, Achille Lauro. However, an Israeli opinion which stated that priority should be given to the physical elimination of Palestinian leaders prevailed. Israelis who subscribed to that opinion wanted to benefit from the western anti-PLO campaign that was being waged to oppose terrorist operations.

The third attempt was made when Israeli fighters hijacked a Libyan airplane while it was flying in Cyprian air space and forced it to land in a military airport in north occupied Palestine. Israel believed that Syria's reaction would be immediate and that it would constitute sufficient grounds for a new attack whose primary target would be Jordan. Consonant with what that newspaper mentioned, international organizations who are familiar with Israeli policy are affirming that if current conditions in the Middle East continue on the same course, the anticipated strike will be made in the remaining months of this year. The strike will be made if elections are held in Israel to prevent the Likud from assuming the reins of power again or if Shimon Peres gives in and yields power to his partners in this government which has two prime ministers.

A Difference in Points of View

It seems that the current contradiction in points of view between Jordan and the PLO is due essentially to the lack of agreement on the method and manner of opposing the plan for "an alternate homeland" and not to a lack of agreement on the methods and means of regaining the West Bank. In this regard the information leads us to conclude that the Jordanian monarch was advised by the British more than once to reach out promptly to Peres to help him accomplish even some limited progress toward a solution of the Middle East crisis so as to keep the Likud from coming back to power. The British think that that is the only way to keep the haunting idea of "an alternate homeland" at bay. That idea is being promoted by Gen Ariel Sharon, the man of the next stage. Sharon is anxious to cross the Jordan River to the east just as he crossed the Litani River to the north. He is anxious to have his armies march into a new Arab capital just as they marched into the capital of Lebanon.

The substance of the Jordanian proposals contained in King Husayn's address makes it clear that Jordan is taking the subject of "an alternate homeland" and Israel's threats very seriously. Accordingly, it is concentrating on having Washington refrain from adopting that Israeli idea and on persuading it to curb the ambitions of the generals of the Israeli army.

It is certain that King Husayn, who is considered one of the world's few sophisticated politicians, knows quite well what it means for the United States to sacrifice a man like the Shah of Iran and a man like Marcos when the choice is one between its own interests and appeasing Reza Pahlavi or the president of the Philippines. King Husayn understands what is involved when the United States has to choose between its own interests and those of any other person in the world.

In return, the Palestinian point of view is one which states that undermining the PLO or keeping it out of the picture is what is opening the door to the plan for "an alternate homeland." The PLO's strength and cohesiveness will enable it to resist that plan and will prevent the emergence of a new Palestinian situation in which that plan could be accepted under the pressure of a established fact.

The PLO is also affirming that the existing solidarity between the Jordanian and Palestinian peoples is the strongest weapon for opposing the plan for "an alternate homeland." The PLO admits that King Husayn is doing everything he can to prevent any rift in relations between the Jordanian and Palestinian peoples.

If the British reported the aforementioned information to King Husayn, the Palestinians received information from more than one country indicating that the United States is actually promoting the plan for "an alternate homeland." There is an American movement headed by George Shultz that wants to achieve that plan which would then strengthen his position in the coming elections. All that would be done under the banner of rearranging conditions in the Middle East, and these rearrangements would be similar to what happened and is happening in a number of Asian, African and Latin American countries.

American Pressures

Such a tendency emerged in the United States on the eve of the well-known September events in Jordan in 1970, after one Palestinian organization hijacked a number of civilian airplanes, forced them to land in a desert airport near the Jordanian-Iraqi border and then blew them up. That airport had been used 30 years earlier by British forces. At that time that tendency justified what it was advocating by saying that "it was not reasonable to insist on recognizing a state that did not control its own territory and could not preserve its national sovereignty."

A senior Arab politician relates that King Husayn told him that Jordan suffered from considerable American pressure during that period. That pressure went so far as to make U.S. economic and military aid to Jordan monthly. In the past Jordan received that aid annually and seasonally.

To pinpoint the Palestinian point of view with regard to the development of relations with Jordan and the possibilities such a development would entail, reference must be made to the fact that Palestinian leaders paused at length to consider the motives that induced Jordanian radio and television to broadcast the Palestinian response to the Jordanian monarch's address in its entirety. Not a single word or paragraph was deleted.

Two opinions emerged in that regard. One stated that King Husayn considered the statement's tone calm and fostering a resumption of the dialogue. That opinion states that what the Jordanian media did was tantamount to taking a step to meet the Palestinians halfway. The other opinion states that what was intended was to put the entire matter in front of the Palestinian people and to tell them that this is what the PLO has to offer: nothing but sweet talk.

Al-Asad's Visit

Still a third opinion stated that King Husayn wanted to keep the lines of communication with Palestinian leaders open. He did not want to settle the matter one way or another until after Syria's President Hafiz al-Asad visits Amman. According to U.S. information reported to the PLO by an Arab country, that visit was scheduled to take place either immediately after the 8th of March celebrations in Syria or around the 19th of that month.

Since the subject of the anticipated Israeli military attack is related basically to the directions in which Palestinian-Jordanian relations are developing, reference must be made to the fact that recent Palestinian meetings, which were held after the statement in response to King Husayn's address was issued, reviewed the possibilities of future Jordanian activities and reached the following conclusions:

1. Everything that happened was to be retracted, and the dialogue was to be resumed to comply with the Palestinian request which was made in Abu 'Ammar's statement affirming his commitment to the Jordanian-Palestinian Agreement.

2. Accepting the ultimate outcome of the status quo and dealing with the consequences of autonomy in case Shimon Peres does carry out his promise, which he declared in front of the UN General Assembly in its recent session.

3. Overlooking the PLO and establishing a formula for a Jordanian-Palestinian delegation outside the framework of the PLO to negotiate with the United States and join the negotiations directly or indirectly in an international conference or a UN supervised conference.

4. Or achieving a formula with Syria sponsored by some Arab countries in which Palestinian participation would not involve the PLO or would involve parties that oppose present Palestinian leaders.

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AFGHANISTAN

DISGUISED MUJAHIDIN CAPTURE SOVIET PARATROOPERS

Tehran KAYHAN INTERNATIONAL in English 26 Feb 86 p 1

[Text] New Delhi, Feb 25 (Dispatches)--Afghan Mujahideen disguised as police officers captured 30 Soviet paratroopers dropped in eastern Afghanistan, western diplomats said Tuesday.

Soviet and Afghan government troops were sent to free the soldiers, triggering scattered battles, but the fate of the Soviets was not known, the diplomats said.

The diplomats said the incident occurred on Feb 18 near Sarobi, about 40 miles (65 km) east of the Afghan capital of Kabul.

"Mujahideen posing as policement captured 30 paratroopers," who were dropped near the town, said one of two diplomats who briefed reporters on condition they not be named.

The other diplomat said the paratroopers were Russians.

"Some scattered battles took place (when Soviet and Afghan troops tried to free them) but the Mujahideen managed to elude them," said one diplomat.

The fate of the paratroopers was not known.

The reporters could be independently verified, as western reports rarely have been allowed into Afghanistan since the Soviets invaded in December 1979 and installed Babrak Karmal as president [sentence as published]. About 115,000 Soviet troops are currently based there fighting the Muslim freedom fighters.

Military Convoy Ambushed

In a separate incident on Feb 6, the Mujahideen ambushed a convoy of Afghan military vehicles near the town of Nahrin, about 100 miles (160 km) north of Kabul, the diplomats said.

One diplomat said 100 Afghan government troops and seven officers were killed in the attack.

In Kabul, several military jets were seen on Feb 24 bombing the hill just north of the airport.

Two days earlier a Soviet military helicopter exploded in the air near the customs house in eastern Kabul, the diplomats said.

Four Soviets on board were killed, the diplomats said.

One said the crash also killed six Afghans on the ground.

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AFGHANISTAN

BRIEFS

ECONOMIC FIGURES ANNOUNCED--Gross national product (GNP) reached Af 153,000 million ($3,000 million) in 1985. It fell during the first two years after the Soviet intervention and took a further three years to reach its pre-1979 level of Af 142,700 million ($2,800 million), says central planning organisation head Sarwar Mangal. Annual inflation has remained at 20 percent for the past five years; per capital income has risen by less than 2 percent at constant prices from its 1978 level of $130 a year, says Commerce Minister Mohammad Khan Jalalar. Exports for 1984 fell to $660 million from the previous year's $670 million; this figure was still more than double the 1978 level of $321 million. Imports in 1984 rose to $964 million from $820 million. State-run MILLIE BUS is to buy 400 buses made by India's TATA. The joint Afghan-Soviet transport company AFSOTR -- set up in 1976 -- is expanding. Between May-December 1985, it carried more than 23,000 tonnes of goods -- double its target -- in 650 container trucks. Kabul's private traders import two-thirds of their consumer goods through the Soviet Union. [Text] [London MEED/MIDDLE EAST ECONOMIC DIGEST in English 8 Feb 86 p 3] /12851

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INDIA

TEXT OF NOTE TO RAJIV ON 'DECLINE' OF CONGRESS-I

Bombay THE TIMES OF INDIA in English 12 Mar 86 p 8

[Article by Madhavsinh Solanki]

[Text] **We reproduce below the text of the former Gujarat chief minister, Mr. Madhavsinh Solanki's note to Mr. Rajiv Gandhi because it, in our view, represents the sentiments of a large number of Congressmen at various levels. Mr. Solanki is a controversial person and his note to Mr. Gandhi cannot be regarded as a wholly disinterested assessment. But it is an important document and merits publication in full. — *Editor.***

WHILE making a realistic assessment of the present situation let us have a look at the hard facts:

The mass enthusiasm and euphoria of early 1985 is on gradual wane; scepticism and nagging doubts about the intentions and capabilities of the ruling party are being increasingly expressed amongst common people; and a sense of disillusionment is spreading fast amongst weaker sections, peasants, workers and even middle class.

Rightly or wrongly, the impression is gaining ground that the policies of the government are leaning more toward pro-rich and the private corporate sector is the only major concern of the government. The pious declarations and oft-repeated brave new-world ideas, unaccompanied by any concrete grass-root level action, are proving counter-productive and the very credibility of the government is being increasingly questioned by urban middle class and intelligentsia.

The 1985 Union budget, liberalisation of imports, encouragement to U-sector consumer industries, substantial pre-budget hikes in the rates of petroleum products, coal, fertilisers, electricity and state transport, rising retail prices of essential consumer goods, and continued tirade against public sector are commonly cited as evidence of the pro-rich bias of the state dispensation.

The frequent reshuffle of the Union cabinet, chief ministers, party executives and bureaucratic slots have generated a sense of instability and people perceive it as a situation of flux and continuing adhocism in the decision-making process at the highest level. As the 'replacements' have not often proved better than the oustees the very wisdom of change-mechanism is now increasingly questioned.

The ugly scenes at the Nagpur session of Youth Congress, centenary celebrations fiasco at Bombay, style and activities of "new" leaders at different levels and increasing gap between the old and new Congress workers on the one hand and on the other the party support-base and safari-clad elite leadership are creating vibrations which may one day rock the party, and the very "identity" of the century-old organisation may be lost.

The rejection of untested tranplants by the bodypolity may create serious consequences for the long-term health of the party.

The poll results during last assembly elections and subsequently in Punjab and Assam and then in the recent by-elections is a continuous down the hill march since the high water-mark of December, 1984, Lok Sabha performance.

It is a clear reflection of the manifest reactions of the party's support base and common people, on the basis of their perception of the ruling party during last one year.

Growing Alienation

The growing alienation of minority communities, backward classes and rural masses is discernible in the poll results of last one year and the trend is likely to gather further momentum if perception of the people is not changed in favour of the ruling party.

The change in the tone and perception of the press is yet another indication of the growing disenchantment of the common man with the ruling party. Even friendly press is not-so-friendly now and their evaluation of the government is increasingly critical. The 'erosion' in the image of the party seems to be fast and popularity of the government is slowly but surely taking a dip.

The above described trend is therefore, required to be arrested and reversed if we want to retrieve 1984 high popularity mark and then to march ahead towards the goal of 21st century under the leadership of our Prime Minister. It is, therefore, a time for serious introspection and dispassionate review of the developments of last about 15 months of the present rule. The opposition is just waiting in the wings and every wrong step of the ruling party will give new life and vigour to the forces which are today out to destabilise and recapture the power, first at the state level and finally at the national level. In some ways, the scenario is reminiscent of 1966-67 days.

Taking an overall macro-view of the present day nation and changing mood of the people, following are some suggestions in the critical areas;

1. Demonstrative pro-poor measures giving direct and immediate benefits to downtrodden, backward and weaker sections of the society, especially in rural and semi-urban areas.

Subsidised rations, drinking water, medicare and *mid-day meals to children* could be some of such measures.

'Subsidy' should not be construed always as 'economic drain', it is in fact an equitable compensation to the unorganised sector for the fall in the value of money vis-a-vis organised sector who are compensated in terms of tax-relief, dearness allowance and increased prices of their products.

2. *Priority to the production of mass consumption goods* at cheap rates through standardisation, tax concessions, cheap credit and marketing facilities. NTC Mills can play a vital role in this area.

3. Curb on conspicuous consumption vulgar display of wealth through taxation, production policy planning and physical controls.

4. Frontal attack on tax evasion, smuggling and foreign exchange violations. These economic offences should be treated like criminal offence of 'cheating' and there should be mandatory provision of rigorous minimum imprisonment of five years and above for such offenders. The economic penalties are not effective in this area.

Substantial Incentives

5. Substantial incentives for *'savings'* and investment in priority and core sector like housing, power generation R&D, communications and transport.

1. Cosmetic and peripheral administrative reforms will not succeed in bringing any meaningful change. The very system and culture of bureaucracy require an institutional overhaul;

(a) The excessive job-security of permanent service has to be replaced by the fair security of 'tenure jobs',

(b) 'Merit' system of promotions must replace the 'seniority' system of career advancement for services;

(c) Vertical and horizontal movement of files to avoid responsibility and decision making must be ruthlessly stopped and each matter must be decided at one level only to fix responsibility and improve quality of disposal, and

(d) Lateral entry into services and greater mobility between desk jobs and field jobs.

Restrictions on the trade union rights of the government servants. In any case, trade unions/associations cannot be permitted in *police, para-military* forces and *higher services.*'

The administrative reforms must travel to the grassroot level where common people come into contact with government. Efficiency at the top level in the Union government only will not be enough to serve the masses. The real rot is at the *district and local self-government level.*

An overall 10% to 20% cut in non-productive expenditure of the government through reallocation of resources and work and through economy in the wasteful expenditure.

Complete autonomy for the public sector functioning so as to match authority with responsibility. The government should only lay down targets and monitor their performance periodically. Rest must be left to the man-on-the-job.

Leadership must 'grow' and workers must gradually progress *from panchayat to assembly and then to parliament.* It will maintain their grass-root level contacts and alienation between the people and party will be checkmated.

PCC, DCC and TCC must have 'whole-timers' to properly run the party offices and to give a content to party organisation. The party must have active association with professionals and ideologues including economists, social scientists and political analysts. They must provide a *'think-tank' right up to the district level.*

The party should have its own *daily newspapers* and periodicals in English as well as in vernacular languages.

Continuity and stability must be provided to the functioning of the party as well as of the government.

Lastly, steps be taken to resolve the 'crisis of confidence' amongst party leaders and workers. The trend towards character assassination, motivated and inspired rumour-mongering and levelling of baseless allegations must be ruthlessly reversed as a first necessary step towards cohesive functioning of the party. These would mean some structural arrangement of the highest level also.

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INDIA

REPORTAGE ON GOVERNMENT CRISIS IN JAMMU, KASHMIR

Governor's Rule Imposed

Madras THE HINDU in English 8 Mar 86 p 1

[Article by G.K. Reddy]

[Text] NEW DELHI, March 7.

The Jammu and Kashmir Governor, Mr. Jagmohan, today invoked Section 92 of the State Constitution to impose his rule in the State with the concurrence of the Centre, after the State Congress (I) Legislature Party last night withdrew support to the G. M. Shah Government.

The 19-month old Government, which was installed in office with Congress (I) support, was dismissed before the issue of the Governor's proclamation.

The Union Cabinet held a brief meeting, soon after receipt of the Governor's report, to approve the imposition of Governor's rule. In the absence of the Prime Minister, the second senior-most Minister, Mr. P. V. Narasimha Rao, presided over the meeting to complete this formality.

In suspended animation

The Assembly is being kept in suspended animation to enable Mr. Jagmohan to explore the possibilities of forming an alternative Government within the six-month time-limit set by the State Constitution, if the Centre does not want fresh elections in the prevailing communal atmosphere.

The first task of the State administration under Governor's rule would be to maintain law and order, restore communal amity and prepare the ground for the revival of popular government under more stable political conditions. The Kashmir Valley, which was rocked by unprecedented communal violence in the last 10 days, is still in a highly disturbed condition. However, enough police reinforcements have been flown in to restore the confidence of the minority community which suffered in the senseless orgy of loot, arson and intimidation.

Desperate attempt

The dismissed Chief Minister, who fell from grace because of his inability or reluctance to deal firmly with the secessionist and fundamentalist elements in the Kashmir Valley, made a desperate last-minute attempt to salvage his tottering position by offering to merge his breakaway party with the parent National Conference, and urge the Governor to invite Dr. Farooq Abdullah to form a new Government. But this ploy did not work and Mr. Shah was dismissed ignominiously when he started dragging his feet to delay the submission of the resignation.

But the Governor did not crown himself with glory either. He was the main engineer of Dr. Abdullah's ouster in 1984 with the help of the Congress (I) by staging what came to be widely criticised as a constitutional coup. Now he was the driving force once again in the campaign for the dismissal of the discredited G. M. Shah Government.

At one stage of the present crisis in Kashmir, some experts at the Centre felt the State needed a longer spell of Governor's rule than permissible under the State Constitution. So the idea of imposing President's rule rather than Governor's rule was mooted at the highest level, but the Prime Minister and his advisers felt this was no time to start another controversy by over-riding past practice.

The Centre also decided in favour of Governor's rule since the intention is to put back Dr. Abdullah in power with Congress (I) support, if he is prepared to stand up to the communal forces in the State. The Prime Minister, Mr. Rajiv Gandhi, is reported to have appreciated his helpful role in controlling the latest communal violence, while Mr. G. M. Shah failed lamentably in his duty to deal sternly with pro-Pakistan elements on the rampage.

The Union Home Ministry and other agencies of the Central Government will assist the State administration during Governor's rule in weeding out the many undesirable elements that have managed to get into government service over the years with political patronage. Mr. Jagmohan is being asked to take strong action against known secessionist groups and other communal forces behind the latest violence.

President's concurrence

PTI, UNI report:

The notice of dismissal was given to Mr. Shah in dramatic circumstances. As he and his colleagues alighted from the plane in Jammu, Mr. Shah was handed a letter from the Governor asking him to resign as he had lost majority in the Assembly.

Mr. Shah, who was in Delhi this morning left for Jammu as soon as he heard that the Governor was seeking his resignation.

The action taken today by the Governor, Mr. Jagmohan, under Section 92 of the State Constitution has the concurrence of the President.

Announcing Mr. Shah's "dismissal" at the Raj Bhavan, Mr. Jagmohan told reporters that it was immaterial whether Mr. Shah tendered the resignation or not.

He said that he had before hand made up his mind to dismiss Mr. Shah after he had satisfied himself that a situation had risen that the former Chief Minister could not carry out the functions of the Government in accordance with the provisions of the State Constitution.

Assuming all the functions of the Government to himself, the Governor, in his proclamation, said that he was suspending the operation of Section 35 to 41 of the State Constitution and a portion of the Section 43 relating to allocation of business of Government among Ministers.

Mr. Jagmohan also announced suspension of 22 other Sections of the State Constitution, inclusive of Section 137 relating to laying of a report with a memorandum before the State Legislature.

The letter, announcing the Congress (I)'s withdrawal of support was handed over to Mr. Jagmohan by the Congress (I) Legislature party chief, Moulvi Iftikhar Hussein Ansari around 2 a.m. today.

The party had "withdrawn support" since the Shah Government had 'failed to give a better administration to the people'.

Legal Provisions Explained

Madras THE HINDU in English 7 Mar 86 p 1

[Article by G.K. Reddy]

[Excerpts] New Delhi, March 6.

Top functionaries of the Government dealing with Kashmir developments were unaware till the other day that, contrary to general belief, the Centre had the power to impose President's rule in the State under Article 356 of the Constitution.

The State of Jammu and Kashmir, which is an integral part of the Indian Union, has been permitted to have its own Constitution which empowers the Governor to take over the administration for a period of six months, subject to the concurrence of the President.

The Governor can exercise this power, under Section 92 of the Jammu and Kashmir Constitution, acting on his own discretion without seeking the advice of his Council of Ministers, if he is satisfied that the administration of the State cannot be carried on in accordance with the provisions of this State Constitution. All that he has to do is to ensure through prior consultations with the Centre that his decision would be endorsed by it.

In the case of the other States of the Indian Union, the Governor must first make such a recommendation to the President, who will seek the Prime Minister's advice. After the Central Cabinet has considered the Governor's recommendation and advised the President to act on it, the necessary notification under Article 356 is issued authorising the Governor to assume charge of the administration.

The Central leaders who have been examining various alternatives open to them in coping with the communal upsurge in Kashmir were somewhat inhibited in deciding upon the course of action they should take by imagining that, if they opted for Governor's rule, then they should be prepared to usher in a new Ministry or go in for fresh elections, within the six-month period stipulated in the State Constitution.

But they have now realised that Article 356 in its original form had been extended to Jammu and Kashmir through a notification issued on December 31, 1964, with the concurrence of the Jammu and Kashmir Government. It means that, if it does not want the Governor to impose his rule, the Centre can act on his recommendations and place the State under President's rule up to a period of three years, provided the approval of Parliament is obtained every six months for its extension.

It is equally significant that the Janata Government which amended Article 356 to limit President's rule to a maximum of one year, except when an Emergency was in operation, did not take steps to apply this amendment to Jammu and Kashmir with the concurrence of the State Government. The result is that this Article in its original form continues to apply in toto to Jammu and Kashmir even after the famous 42nd amendment.

Comment by Arjun Singh

Calcutta THE TELEGRAPH in English 8 Mar 86 p 1

[Text] **New Delhi, March 7:** Mr L. K. Advani was today declared elected unanimously as president of the Bharatiya Janata Party, after the incumbent, Mr Atal Behari Vajpayee, remained adamant on not continuing in office. Today was the last date for filing nominations for the party election.

Mr Advani's was the lone name left after Mr Vajpayee informed the returning officer, Mr Jagannath Rao Joshi, that the proposal by members of the party electoral college favouring his nomination did not have his consent. He requested the returning officer to treat his letter as withdrawal of his nomination.

Mr Advani's succession as president is being considered in party circles as an effort to "revitalise the party.

Significantly, the party vice-president, Mrs Vijay Raje Scindia, who was at one time considered as a probable successor of Mr Vajpayee, was among those who proposed Mr Advani.

Abdullah Remarks, Other Developments

Calcutta THE TELEGRAPH in English 9 Mar 86 p 1

[Text] **Jammu, March 8 (UNI, PTI):** The former Jammu and Kashmir chief minister, Dr Farooq Abdullah, announced today that he will not stake his claim for forming the government and said he will think of forming it only after fresh elections are held to the state Assembly.

"I do not believe in horse trading but clean politics. I will think of forming the government after fresh elections are held to the state Assembly," Mr Abdullah told UNI over telephone from Srinagar.

He said he and his party would extend full cooperation to the governor, Mr Jagmohan, in restoring peace and communal amity in the state.

The dismissed Jammu and Kashmir chief minister, Mr G.M. Shah, said he had requested Dr Farooq Abdullah to stake his claim for forming a new government in the state, assuming his party's (National Conference-Khaleda) unconditional support.

Merger move welcomed

Prominent workers of the National Conference(K) welcomed Mr G.M. Shah's decision to merge the party with the National Conference(F).

In a resolution adopted at a meeting under the chairmanship of the provincial party chief, Mr Rashid Shah, the NC(K) pledged to fight all those opposing the state's autonomy. It criticised the withdrawal of support by the Congress(I) legislature party leader, Moulvi Iftikhar Hussain Ansari, to the Shah ministry. It said the charges levelled by Mr Ansari in his letter to the governor were "baseless."

However, four senior ministers of the dissolved Jammu and Kashmir council of ministers have dismissed Mr G.M. Shah's claim that he had the support of all his colleagues in dissolving and merging the NC(K) with the National Conference led by Dr Farooq Abdullah.

The Election Commission has cancelled the biennial elections to the Rajya Sabha seat and a number of seats to the state Legislative Council scheduled for March 27.

Police reshuffle

Our Correspondent in Srinagar reports: The governor today ordered the transfer and reposting of several top police and civil officials.

The divisional commissioner, Mr Ghulam Qadir Lone, has been replaced by Mr Hamidullah Khan and the DIG, Kashmir range, Mr S.S. Ali has been replaced by Mr A.M. Watali.

Mr A.R. Nanda, additional inspector-general, police personnel, has been posted as IGP, home guards and civil defence, in place of Mr Amar Kapoor who has been posted as additional IGP(CID). Other senior police officers who have been transferred "in the interest of administration" are Mr M.A. Numani, DIG (CID) and Mr S.S. Ali. They have been posted as DIG, personnel, police headquarters and DIG, armed police, respectively.

Many more transfers and postings are expected within the next few days, reliable sources said. They also said Mr Jagmohan might recall some top officials who were sent back to their parent departments outside the state.

Mr Jagmohan has already sent a telegram to the former principal secretary to Dr Farooq Abdullah, Mr Mehmood-ur-Rehman, to report to him immediately. Mr Rehman is now on an official trip to Shimla.

Independent Group Formed

Bombay THE TIMES OF INDIA in English 10 Mar 86 p 1

[Text] JAMMU, March 9 (UNI):

THE National Conference (Khaleda) today received a major setback when 14 of the 19 cabinet ministers of the dismissed G. M. Shah ministry decided to form their independent group.

After a party meeting here, the former information minister, Mr. Rafiq Hussain Khan said that since the National Conference (K) had decided to merge with the National Conference (Farooq) on Friday, it seized to exist.

He said: "We decided to form an independent group" at the meeting.

Meanwhile, the NC(K) decided to withdraw its offer of merger with the NC(F).

After a party meting here, the NC(K) chief Begum Khaleda Shah said the offer of merger had been withdrawn in view of the statements made by the leadership of Dr. Farooq Abdullah's party.

She said the assembly members of her party had made the offer of merger and unconditional support to Dr. Abdullah on Friday but "in view of his (Dr. Abdullah's) indifferent attitude, the same has been withdrawn".

Referring to the name of the new group Mr. Khan said: "In view of the Anti-defection Act of the state, we are seeking legal opinion about the name of our group which would be decided by tomorrow."

According to Mr. Khan, the former cabinet ministers who attended today's meeting are: Mr. Gurbachan Kumari Arana, Mr. Hakim Mohammed Yassen, Mr. Dillawar Mir, Mr. Ghulam Hussain Mir, Hemlata Wakhloo, Mr. Jagjivan Lal, Mr. Ali Mohd Naik, Mr. Sheikh Abdul Jabbar, Mr. Munshi Habib Ullah, Tali B. Hussain, Mr. Khalil Johar, Dr. Mehboob Beg and Sona Ullah Dar.

PTI adds: The district magistrate, Jammu, today ordered further relaxation of the curfew, which will now remain in force in the city from 12 midnight to 5 a.m.

He has also ordered that all colleges closed indefinitely following clashes between police and students on Thursday last should be reopened tomorrow.

However, restrictions in force in the city under section 144 Cr.P.C., banning meetings and assembly of more than five persons shall continue, the order said.

Meanwhile, the state budget for 1986-87 would be passed before March 31 the chief secretary, Mr. K. Takkar said here.

Under the constitution, the budget is not required to be presented for approval in the legislature, during the governor's rule in the state.

FAROOQ FOR POLL IN AUG.

The governor is empowered to approve the budget as he enjoys all executive and legislative powers when the legislature is suspended.

Srinagar, (UNI): Dr. Farooq Abdullah on Sunday, summoned an "extra ordinary" meeting of the National Conference (Farooq) working committee here on Monday, to decide on a merger with the party's faction led by his sister Begum Khaleda Shah.

Asked if he would allow the merger between the two factions, Dr. Abdullah said it was for the working committee to decide.

In his absence, the working committee will be held under the chairmanship of his mother Begum Abdullah, M.P., Dr. Abdullah said before leaving for Delhi.

Dr. Farooq Abdullah expressed himself in favour of assembly elections in the state in August-September. He said the governor's rule should continue in the state for the time being.

In reply to a question, Dr. Abdullah said the governor, Mr. Jagmohan "is a good administrator and will remove the 'mess' created by the previous government."

On steps being taken to restore confidence among the minorities, Dr. Abdullah said the Centre had taken the first step of removing the ministry of "defectors".

PEACE COMMITTEES

This step will not only restore the confidence among the "minority community, but as well among the majority," Dr. Abdullah observed.

He said peace committees had been set up for the purpose and other measures were in the offing to restore confidence among the minorities.

The awami action committee chief, Mirwaiz Moulvi Farooq, a political ally of Dr. Abdullah also met the governor separately.

The Mirwaiz urged the governor to dissolve the state assembly and pave the way for fresh elections.

The Panthers Party chief, Mr. Bhim Singh also demanded immediate dissolution of the assembly and holding of fresh elections in the state.

Addressing a press conference here, he welcomed the imposition of governor's rule in the state.

PTI adds: The state governor, Mr. Jagmohan disagreed with the idea of appointing a probe body to go into the recent disturbances in parts of the state.

Inquiry commissions, he told prominent citizens at a meeting here, always prove to be a waste of time, and no fruitful results could be achieved from them.

New Delhi (PTI): Mr. Atal Behari Vajpayee, welcomed the Congress's withdrawal of support to the Jammu and Kashmir government leading to the resignation of the chief minister, Mr. G. M. Shah, and called for an enquiry into reports of violence and desecration of places of worship.

Interview With Farooq Abdullah

Calcutta THE TELEGRAPH in English 11 Mar 86 p 7

[Interview by Yusuf Jameel, Srinagar with Dr Farooq Abdullah, president of the National Conference, date and place unknown]

[Text] *Q: Why have you refused to accept the chief ministership when you had the opportunity?*

A: The reason for my refusing to form a new government is that my battle is not for the chair but it is for the principles which I hold very dear. And you know no compromises are made where principles are involved.

Q: Is it not a fact that it would have been very difficult for you to control things at this juncture and to escape this you decided not to avail of the opportunity to form a government?

A: Yes, I agree with you that the situation prevailing in the state is very critical. Particularly, the recent communal disturbances and the subsequent short-sighted steps by the Shah government have shattered the people's confidence. Especially, the minority community is depressed. Had I reoccupied the chair it would have been nothing but adorning my head with a crown of full thorns. But believe me, that is not the basic reason for my decision. I had been demanding ever since Shah came to power in the summer of 1984, that democracy should be restored in the state at all costs. The imposition of governor's rule is the first step towards achieving the goal.

Q: How can this goal be achieved fully?

A: Fresh elections should be held to the state Assembly—let the people decide who should rule the state. As far as I am concerned, I will never accept power unless the people choose me.

Q: Do you not think that your refusal is a political mistake? Some people think that the Congress(I) now has enough time for horse-trading because the governor has not dissolved the Assembly but kept it in suspended animation?

A: I am sure that elections will be held and that the governor will not allow any kind of horse-trading. But if the Congress(I) tries and succeeds in forming a government after adopting such tactics, it ought to face the same fate as Shah did.

Q: When do you feel fresh elections should be held?

A: I think August or September is the right time for elections. This is because this year's tourist season will start very soon and, as you are aware, it lasts upto mid-September. In recent years, we had very poor tourists seasons, first because of the Punjab violence and then the crisis within Jammu and Kashmir. We cannot afford yet another poor season. I have already requested the governor to ensure that the tourist season this summer is made a success. And I am confident he is capable of doing this.

Q: What steps should be initiated to revamp the tourist industry in Kashmir?

A: The central government should first introduce concessions to tourists visiting Kashmir by air or by rail. Besides, Srinagar airport should be declared an international airport capable of handling international tourist traffic, especially from the countries of the far East and West Asia.

Q: Don't you think that will pose a threat to the security of a sensitive state like Jammu and Kashmir?

A: We have enough sources and agencies there to check things which can prove harmful to the security ahd integrity of the country. But don't you think such things can take place in Delhi, Madras and Calcutta also? If some undesirable person wants to come to Kashmir he can come by road also unless he is stopped.

Q: It is believed in some circles that Mr Shah's move to merge his National Conference with your party was preplanned?

A: No it was not. Had it been so and had I been interested in power then I could claim to form a government on my own. Even after Shah's decision I could still tell the governor that yes, I am interested in forming a government.

Q: Are you taking Mr Shah and his colleagues back in the party?

A: This will be decided by the party working committee which will probably meet tomorrow. I want every member to be present to take up this crucial issue.

Q: Should Mr Shah and his colleagues be allowed to rejoin the party? What is your personal opinion?

A: No, I do not want to give any personal opinion. If I do so then my party working committee members will ask me why they have been invited to decide. Can't you wait for a few days?

Q: Is it a fact that your sister Begum Khalida Shah had written to you that she and her partymen should be allowed to join the party?

A: Yes, I received a letter from her on Saturday and I will place this letter before the working committee.

Q: What are the contents of her letter?

A: It will not be proper to disclose them now. But one thing I can tell you is, she has requested that her party's decision should be accepted.

Q: When you last met Prime Minister Rajiv Gandhi in Delhi, did he tell you that his party was going to withdraw its support to the G.M. Shah ministry?

A: Well, we discussed the issues concerning the state and the nation as a whole. Our meeting was very cordial. I told him that democracy should be restored in the state before it was too late.

Q: How do you view the Prime Minister's move?

A: It was long due. Thank God it has come ultimately—it is better late than never. Rajiv Gandhi has taken a bold decision. Why not give him credit for it?

Q: Will your party have an electoral understanding with the Congress(I)?

A: It is a question of time. Let us see how things develop. But let me clear one thing. The final arbiters of the state are its people and they alone can decide what I or any other party or leader should do.

Q: What is the main task before the governor?

A: As I said, the state is at a crucial stage. The recent communal disturbances have shattered the confidence of the minority community. He has to restore that confidence first. The misrule of the Shah government has also landed the state in an economic crisis. The administration has been affected by political interference. Corruption is there. He has to make efforts to set things right, and above all the people's confidence in democracy has to be restored. It is for him to decide what is needed and who should be where.

Q: How are your relations with your allies—Mirwaiz Farooq, Abdul Gani Lone and Bhim Singh? It is said that Mr Lone is not pleased with some of your recent moves such as your developing a soft corner for the Congress(I).

A: Our relations are very cordial. I have been meeting them to discuss issues. They are my good friends as well and I hope in future too our relations will remain as they are today. At present, we all have to help the governor in his efforts to restore democracy in the state fully.

/12851
CSO: 4600/1542

NEW GROUP FORMED IN KASHMIR, OTHER DEVELOPMENTS

Calcutta THE STATEMAN in English 12 Mar 86 p 1

[Text] Jammu, March 11--Supporters of the deposed Chief Minister of Jammu and Kashmir, Mr G. M. Shah, today formed themselves into a separate group in the State Assembly electing Mr Ali Mohammad Naik their leader, report UNI and PTI.

Dr Farooq Abdullah today hoped that elections in his State would take place between August and September. Talking to reporters in Bombay, he said he could not join hands with the elements "who looted the State in all respects and destroyed its communal harmony".

Dr Abdullah, who arrived in Bombay last night in connection with his brother's medical check-up, addressed Opposition legislators at the Council Hall and apprised them of the situation in Jammu and Kashmir.

Elaborating his stand on fresh elections, Dr Abdullah said "people are masters, let them decide the party which they want in power". He expressed the hope that the Centre would hold elections once peace was restored and added that Governor's rule was the best in the existing situation.

Dr Abdullah said the Shah Government had destroyed communal harmony in the State. "It will take years to rebuild it," he said at the Press conference where the Congress (S) president, Mr Sharad Pawar, was present.

Dr Abdullah advocated "secular politics" for the country's unity and integrity.

Mr D.D. Thakur, the Deputy Chief Minister in the dissolved Ministry of Mr Shah, has decided to quit politics. According to sources close to Mr Thakur, who left for New Delhi yesterday, he will resume practice as a Supreme Court lawyer. Before joining Sheikh Abdullah's Ministry as a senior member in March 1975, Mr Thakur was a judge of the State High Court.

The State Governor, Mr Jagmohan, today appointed Mr Mahmoodul-Rehman, a senior officer of the State's IAS cadre, Commissioner for Planning and Development.

Mr Rehman, who was Principal Secretary to the former Chief Minister, Dr Abdullah, had been shifted from the Secretariat by Mr Shah on the very day he assumed as Chief Minister 20 months ago, and appointed managing director of J and K Industries Limited, a State Government undertaking.

The Governor has asked Mr Ashok Kumar, IAS, on deputation to the Government of India, to join as chairman of the Jammu and Kashmir Bank.

Mr Jagmohan abolished six out of 24 posts of secretaries to effect economy and rationalize administrative machinery.

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CSO: 4600/1553

UK REPORTED UNHAPPY WITH INDIAN HIGH COMMISSION

Calcutta THE TELEGRAPH in English 8 Mar 86 p 7

[Article by Ashis Ray]

[Text] **London, March 7:** The British foreign office is furious at the Indian high commission here for allegedly supplying false and misleading information a to section of the Indian press, some to the detriment of the United Kingdom.

A senior official of the foreign ministry telephoned this correspondent yesterday to say: "I wish some of your colleagues would check their facts before filing stories." He also levelled an accusation against the Indian Mission of not doing its homework before briefing journalists.

Whitehall is particularly upset about a report in Indian papers that nine asylum seekers—Sikh extremists from India—were granted leave of stay in Britain last year. The foreign office official maintained that the figure was "none" However, he conceded that there might have been a confusion between "nine" and "none."

The foreign office was also unhappy about articles related to the likely signing of a memorandum of understanding (MOU) on defence between Britain and India. Sir Terence Woods, head of the South Asia division of the foreign office, asserted that he was unaware of any such protocol being in the offing. This view was, in fact, endorsed by Mr Desmond Bowen, head of defence sales to South Asia in the British ministry of defence.

The matter of a MOU on defence has been under discussion for some time, but not with any degree of urgency of late. The high commission at a lunch for Indian foreign correspondents on Wednesday, however, explicitly revealed, though incorrectly, that an agreement would be initiated shortly. On determining the real situation, an attempt was made to retract the statement, but by that time it was too late.

/12851
CSO: 4600/1550

WORLD SIKHS MAY CHANGE HEADQUARTERS, LEADER

Calcutta THE TELEGRAPH in English 11 Mar 86 p 4

[Text] **Washington, March 10 (UNI):** The World Sikh Organisation (WSO) has dicided to shift its headquarters to Ottawa amid reports that Gen. J.S. Bhullar (retd) is stepping down from the WSO leadership.

The decision marks the beginning of many key changes in the hardline Sikh organisation.

Informed sources here said these changes reflected a watershed stage, with the old guard which spearheaded the hardliner's secessionist campaign being moved out in favour of young, more active and fundamentalist Sikhs.

The sources believe the changes are the result of Mr Bhullar's decision to move away from the activities of hardline Sikh organisations in the West in an effort to start preparing ground for his eventual return to India. Mr Bhullar's immigration status is unsure in the US and Canada will not allow him into its territory.

The expected exit of Mr Bhullar has now left the movement open for a take-over by a more active, fundamentalist and comparatively young Sikh leadership.

At a recent meeting in New Jersey, it was decided that Mr Gian Singh Sandhu would become the president of WSO and Mr Gurcharan Singh was confirmed as the secretary. Both live in Canada and are active in WSO affairs.

With WSO now coming entirely under the control of Canada-based Sikhs, it is clear that it will strive to cement working relations with the International Sikh Youth Federation (ISYF) and the Babbar Khalsa, both of which have demanded the creation of Khalistan.

Their alliance with WSO, with its superior resources and reach in terms of membership and administration is bound to boost their striking power.

Even his critics acknowledge that Mr Bhullar had sobering influence on many radical WSO members. While the damage he has caused to Hindu-Sikh relations cannot be underrated, he did, however, manage to keep the WSO from going overboard in pursuit of possible violent means of seeking revenge, especially after the November 1984 riots.

The Indian council general in Toronto, Mr Surrinder Lal Malik, also argees that with the shifting of the WSO headqarters to Ottawa and by bringing it within the reach of many radicals, many of whom previously could never obtain US visas, WSO's identity with the cause of aggrieved Sikhs following the Golden Temple action may soon vanish.

WSO's move from the US to Canada comes under pressure from both the US authorities and the hardline Sikhs.

As far as US pressure on WSO is concerned, no official confirmation is available but sources say that once the WSO leadership saw India's significance to the US—politically and economically—and given US's is strong aversion to any secessionist movement, they knew that their time was up in Washington. All that was needed was an excuse and Mr Bhullar's reported decision to quit WSO had acted as a catalyst.

/12851
CSO: 4600/1551

INDIA

IMPLEMENTATION OF ASSAM ACCORD BEGINS, TRIBALS EVICTED

Bombay THE TIMES OF INDIA in English 12 Mar 86 p 9

[Text] GUWAHATI, March 11.

IMPLEMENTATION of the Assam accord began yesterday, when state forest officials launched a massive drive to evict Boro tribals from the Bogajuli unclassed forests in the Tamulpur area of Nalbari district.

The officials, accompanied by policemen, used two elephants to demolish about 600 mud huts of the tribals, who have been living there since 1979.

According to a resident of the area, Mr. Nandeshwar Brahma, who rushed to Guwahati to inform the All-Assam Tribal Students' Union about the operation, personnel of the Assam forest battalion along with the circle officer of Tamulpur arrived at the village shortly before noon yesterday without any warning or notice to the tribals and began demolishing the huts. Most of the men, afraid of police harassment, left their families behind and hid in the nearby forests.

The tribal students' union has urged the people not to leave their homes and to resist all attempts by the authoritites to drive them away from the area. According to the union leader, Mr. Ranuaj Pegu, the land "rightfully belongs" to the tribals and no one has a right to evict them without providing alternative accommodation.

"Our people have suffered for long and we will not allow them to be browbeaten by the authorities again," he said here.

The Boros whose homes were destroyed yesterday were originally settled in the Boyang reserve forests on the Assam Nagaland border. After a ghastly midnight massacre on January 5, 1979, in which armed Naga villagers crept into their sleeping villages and indiscriminately killed men, women and children, the survivors fled to the Bogajuli forests. The then Janata government appealed to the Boros to return to their villages but most of them refused to do so.

Since then, the tribals have lived in the Bogajuli forests under constant threat of eviction. This is the sixth time they have been forced by the Nalbari district authorities to leave their homes.

/12851
CSO: 4600/1552

INDIA

INFLUENCE OVER NEIGHBORING COUNTRIES SEEN ERODING

Madras THE HINDU in English 5 Mar 86 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, March 4.

There is an uneasy feeling in Government circles here that India's efforts to befriend its neighbours with well-meaning gestures have not made the desired impact on them, resulting in an erosion of the country's capacity to influence the course of events in the region.

If the volatile relationship with Sri Lanka is treated as a litmus test for judging the success or failure of India's good-neighbourly diplomacy, the deep-rooted animosities in Pakistan towards this country that surface at the slightest provocation continue to dishearten those in Delhi who have been making an ambitious bid to usher in a new era of more harmonious and mutually beneficial links.

The setback in Sri Lanka has, no doubt, disappointed and even disheartened the protagonists of this policy who hoped to dispel the misgivings of some of the neighbouring countries which talk of India's hegemonist ambitions. But it has not deterred them from persevering with their attempt to press forward with the mediatory role in the belief that sooner or later both the Sri Lankan Government and the Tamil leaders would veer round to the view that there is no alternative to a political solution based on balance of concessions by both sides.

Tragic tangle: It is this assumption which is sustaining the faith of the Indian mediators that they are bound to succeed ultimately in resolving this tragic tangle, if only they do not give up their conciliatory efforts in despair or disgust in the face of recurring rebuffs and retractions. The latest internal debate at the higher policy-making levels of the Government is therefore directed at synthesising the Sri Lankan and the Tamil United Liberation Front's proposals and work out a middle position that could be put forward to the two sides as a fair basis for a negotiated settlement.

This is a complex and thankless exercise that has to be handled with great caution, without running the risk of not merely disappointing both sides but also forfeiting their confidence in the bargain and, in the process, complicating the search for an equitable solution. It is for this reason that the Prime Minister, Mr. Rajiv Gandhi has chosen to proceed with utmost circumspection instead of attempting to force the pace of events.

He is attaching the utmost importance to the restoration of some degree of normality in Sri Lanka, before resuming the Indian mediatory efforts. The senseless killings of innocent Tamils by the Sri Lankan security forces have so vitiated the atmosphere that, even if his advisers are able to conjure up a new peace formula that stands a reasonable chance of acceptance, it would be impossible to persuade the Tamil leaders to resume the dialogue while the Sri Lankan Army remains on the rampage in the Northern and Eastern provinces.

Lofty stance: In dealing with this ethnic crisis in Sri Lanka, the Government of India can at least adopt a lofty stance in performing the role of an honest broker, a friendly mediator, a good samaritan with no axe to grind other than helping the people of a neighbouring country to settle their differences and live together in peace again. But there is no such ready explanation for the vagaries of the country's Pakistan policy, which has all the ingredients of high expectations generated by simulated enthusiasm and sudden disavowal in the wake of fresh provocations.

The exasperating experience of dealing with Sri Lankan duplicity and Pakistani deception has made the Indian policy-makers wonder whether the country's enlightened self-interest would be better served by reverting to the earlier approach of talking to its neighbours from a position of strength or by placating them with gestures that can be misconstrued as signs of weakness in attempting to extract further concessions.

Talks with China: This new ambivalence has also been hampering the Government's style in handling the talks with China which is in no hurry to settle the border dispute except on its own terms. The country has consequently been left with no coherent policy on China, since nobody in authority is prepared to take a hard look at this problem. There is talk of a fresh review of the Indian strategy for formulating a new policy line before the next round of official level talks in Beijing later this year. But there was no sign of any preparatory work for conducting this internal debate with a better grasp of what is possible which is quite different from what is desirable in negotiating a border settlement.

The same sort of lack of precision in thought and clarity of purpose seems to prevail in dealings with Bangladesh and Nepal—and even Bhutan which will be resuming its border talks with China soon.

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CSO: 4600/1549

HARYANA CHIEF MINISTER ON TERMS FOR CHANDIGARH TRANSFER

Calcutta THE TELEGRAPH in English 8 Mar 86 p 6

[Text] **Chandigarh, March 7 (PTI):** The Haryana chief minister, Mr Bhajan Lal, today said that Chandigarh would not be given to Punjab unless his state got the Hindi-speaking areas of Fazilka and Abohar and the vital Sutlej-Yamuna Link (SYL) Canal was completed simultaneously.

Talking to newsmen here, he said the transfer of territories and the construction of the canal should form a "package deal".

Reacting sharply to the statement by the Punjab chief minister, Mr Surjit Singh Barnala, in the Punjab Assembly yesterdy that Haryana had no share in river waters, he said the Justice Eradi water tribunal must decide on Haryana's share in the river waters which had been appointed in the tripartite accord of December 13, 1981.

He demaded that the Centre should also take up the construction work of the canal which had been suspended since Barnala government had assumed office five months ago.

He wondered, if Haryana had no share in the waters, how Mr Barnala's government had itself collected Rs 50 crores out of Rs 110.50 crores from Haryana towards the construction of the canal, which was stipulated to be completed by August 15 in the accord.

Mr Bhajan Lal said instead of blaming him for putting hurdles in the implementation of the accord, it was the Akali government in Punjab which was not sincere in implementing it.

Commenting on the statement of Mr Barnala in the Assembly yesterday that there was no use for the carrier channel, the Haryana irrigation and power minister, Mr Shamsher Singh Surjewala, said this statement amounted to a "total" change in the Punjab government's stand. He told newsmen here that by making such a statement, Mr Barnala had backed out of the accord.

Mr Surjewala said under the present circumstances, there was no other alternative left with the government of India but to take over the construction of the canal and complete it at least by the end of this year, if not on schedule by August 15.

Cong-I statement: Several senir Congress(I) leaders in Punjab today expressed serious concern over the deteriorating law and order situation in the state and strongly condemned the killing of seven persons in Kapurthala yesterday.

In a statement, they said that "it is shocking that the culprits are not being apprehended, and after every killing they escape."

The signatories include Mr Vinod Sharma and Mr Gulzar Singh, general secretaries of the PCC(I), and Mr Sewa Ram, MLA and secretary, Punjab Congress(I) Legislative Party.

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CSO: 4600/1549

PAPERS REPORT DROUGHT CONDITIONS, HARVEST PROSPECTS

Tamil Nadu Grain Output

Madras THE HINDU in English 5 Mar 86 p 1

[Text] MADRAS, March 4.

Rice production in Tamil Nadu this year is likely to be around 54-lakh tonnes, the same as last year's, in spite of drought and water supply difficulty in the Cauvery delta. The total foodgrains production is expected to be in the neighbourhood of 100-lakh tonnes.

Expressing this optimism, the Agriculture Minister, Mr. K. Kalimuthu, told newsmen today that the increased productivity achieved with the cooperation of farmers all over the State, to a great extent had offset the adverse impact of the drought conditions in Thanjavur district.

By and large, the farmers had followed the practices suggested by the department for "5 tonnes of paddy a hectare programme". Almost 50 per cent of the farmers had succeeded in the programme. In a few pockets like Pollachi and Mettupalayam, the production had touched 10 tonnes a hectare.

The department was gearing itself to give a push to the programme of summer cultivation, the Minister said. Arrangements were being made to provide inputs in adequate quantities, so that larger areas could be cropped this season. The programme was to raise paddy on 2.75-lakh hectares, and millets on 2.76-lakh hectares. Pulses would be grown on 3-lakh hectares and cotton on 70,000 hectares.

With the thrust given to oilseeds production Mr. Kalimuthu said, there had been a gradual increase in both the acreage and output of coconut in the last three years. Compared with 1.4-lakh hectares under coconut in 1982-83, the present area was 1.54-lakh hectares. The output of nuts had also increased from 133 crores to 158 crores during the period. The programme of distributing 35-lakh high-yielding seedlings a year would be continued, he said.

Drought in Eight States

Calcutta THE TELEGRAPH in English 8 Mar 86 p 5

[Excerpts] **New Delhi, March 7 (PTI):** Eight states and two Union territories have reported drought conditions during 1985-86 and the Centre has sanctioned Rs 527.32 crores as assistance so far, Mr Yogendra Makwana, minister of state of agriculture, informed the Rajya Sabha today.

The minister said Andhra Pradesh, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Karnataka, Kerala, Madhya Pradesh and the Union territories of Pondicherry and Mizoram have reported drought conditions. Actual conversion charges from short-term loan into medium-term loan had been estimated at Rs 1.72 crores, he added.

The Centre has departed from its established norms in rushing relief to Karnataka and Rajasthan which have been affected by severe drought, the agriculture minister, Mr Buta Singh, said.

Answering a spate of supplementaries, the minister said the Centre has agreed to bear the entire transportation cost of fodder from any part of the country.

Mr Buta Singh also informed the House that the Centre would come forward with substantial financial assistance to meet foodgrains shortage in Karnataka.

Flood losses: The country suffered an average damage of about Rs 316.67 crores a year on crops due to floods and cyclones during the period 1953 to 1985.

The water resources minister, Mr B. Shankaranand, said more than four million hectares of cropped area was affected every year during this period.

Gujarat Drought Damage

Bombay THE TIMES OF INDIA in English 11 Mar 86 p 7

[Text] Ahmedabad, March 10--The unprecedent drought in nearly two-thirds of Gujarat covering 16 districts has dealt a severe blow to the farm economy and sustaining power of the ural poor. Farmers have suffered losses of Rs 976 crores owing to the failure of the monsoon last year.

According to rough estimates, yields of kharif crops, including pulses, was 2.2 million tonnes less than the target. The production of oilseeds, including groundnut, in Saurashtra, considered to be the edible oil bowl, was one million tonnes less than the estimated figure.

Rabi crop yields have not reached even the half-way mark with the production of only 9.12 lakh tonnes as against the target of over two million tonnes.

There is hardly any hope for the summer crops, except in the perennially irrigated patches in Central and Southern Gujarat.

This has driven lakhs of landless labourers and small farmers to flock to relief works started by the state government. It has declared 12,600 of the total 19,000 villages in the state as scarcity and semi-scarcity hit.

Agitation Loss

Of the total 20 million people affected by drought, two million are small and marginal farmers or farm workers.

The government has prepared a Rs 405-crore master plan to deal with food, fodder, drinking water and the employment problems of the people in the affected areas. The financial allocation is likely to be raised by another Rs 50 crores in the next few days to increase the tempo of relief work. The Centre has sanctioned Rs 32.14 crores so far on the basis of a survey conducted by a Central team.

The state government has been forced to suspend work on some irrigation projects and curtail some other development works to save funds for relief works. The state had suffered a staggering loss of about Rs 2,200 crores last year owing to the anti-reservation agitation.

The government has recently increased the daily wages of relief workers from Rs seven to RS 11. It is expected to incur at least Rs 210.5 crores for providing the affected people with gainful employment.

The government has earmarked Rs 28 crores for purchasing fodder and transporting it to various district and taluka centres. It has been estimated that out of a total of 11.15 million cattle population, fodder will have to be supplied for 9.5 million animals. Cattle camps, panjarapoles and goshalas are planned.

Grains Urged

The government has banned the export of fodder outside the state. It has reserved the entire fodder output of Bulsar district (which along with Dangs has been spared from nature's fury) to be distributed in the affected areas.

In addition, the government has earmarked Rs 17 crores for providing seed taccavi and short-term loans for groundnut and fodder and taccavi for other farmers.

The government has urged the Centre to rush coarse grains of 20,000 tonnes per month. It has asked for an increased allotment of 131,000 tonnes of palmolein oil during 1985-86. It has also sought 40,000 tonnes of wheat and 30,000 tonnes of rice per month till September.

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CSO: 4600/1549

TABRIZ VIEWS U.S. 'RETREAT' FROM GULF OF SIDRA

GF011726 Tabriz International Service in Azeri 1715 GMT 31 Mar 86

[Unattributed commentary]

[Excerpts] Dear listeners, the naval exercises carried out by the aggressive U.S. forces in the Gulf of Sidra have been abandoned and left incomplete. The aggressive U.S. forces were ordered to quickly depart from the Gulf of Sidra in order to avert a new defeat for U.S. foreign policy. (?Why were the) U.S. exercises along Libya's shores abandoned despite the effort which was made to carry them out successfully? Is this not an indication of a state of helplessness on the part of the decisionmaking centers in Washington? Has the dangerous outcome of maintaining the presence of the U.S. naval fleet along Libya's shores caused anxiety in Washington? The answers to these questions are in the affirmative. Washington has shown through its action that it will (?retreat) before peoples and countries reluctant to yield to pressures applied by the big powers.

By ordering the U.S. fleet's retreat from Libya's shores, Reagan has proved how helpless Washington's decisionmaking centers are before the resistance of the peoples and how quickly they are daunted by it. These centers are aware that when it is time to move they cannot trust the drunken and doomed U.S. military officials to make correct predictions over military moves. The Libyan people are savoring the sweet taste of victory against a big power. By entirely depending on their own strength, the Libyan people proved that sooner or later courage forces the big powers to retreat.

This time Washington sensed that all the facts were against the aggressor. The military personnel who dominate the decisionmaking centers in the United States achieved no satisfying results. Three U.S. aircraft were hit above Libyan shores and downed in the Gulf of Sidra. This made the United States realize that it had not penetrated a safe region. The Libyan shores are not suitable for the U.S. aggressors. The Libyan people have proved that they will not leave the stage to the aggressors and will retaliate with fire. The decisionmakers in Washington realized very quickly that the matter was serious but they had no means of ending Reagan's empty moves.

However, the halting of the incomplete naval exercises along Libya's shores also proved the existence of thoughtful individuals among the U.S.

decisionmakers--individuals who realized the situation was worsening. They realized that the United States was playing with fire on the shores of Libya and dealing (?irreparable) blows on a small country with its aggressive measures. They realized well that the people of the United States would not agree to receive the corpses of the victims of the new U.S. foreign policy. They quickly realized that Libya was not Grenada and the drunken and doomed U.S. military officials were confronted with a united people on Libya's shores.

The reasons for the U.S. naval fleet's shameful withdrawal from Libyan waters prove that the people are well-prepared to give lessons to the big powers on the definition and recognition of their positions--lessons which these powers are reluctant to learn by themselves. They are prepared to repeat these lessons over and over again with the hope that the drunken and doomed U.S. military officials will realize that the Islamic countries are not a safe place for any foreign military force.

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CSO: 1831/419

KHAMENEI ADDRESSES NATION ON REVOLUTION

LD202237 Tehran IRNA in English 2229 GMT 20 Mar 86

[Text] Tehran, March 21, IRNA--In his message to the nation on the occasion of the Iranian New Year, President Khamene'i expressed hope that in the new year, a better effort would be devoted to serving the oppressed masses, doing better in public welfare and improving the quality of secondary school and higher education by removing some of the blemishes which he said are the heritage of the past.

He also expressed hope that the new year 1365 would mark Iran's eventual triumph in the Iraq-Iran war.

President Khamene'i said the past year marked Iran's breakthrough both in the battlefronts with the Iraqi regime and in the international scenes.

He said as a result of Iran's efforts at the international scenes, more and more people especially in Africa had learned about the Islamic revolution.

He said, once the Iranian people and the Islamic Government have thoroughly done away with the roots of all evils, once they have established social justice in its full sense and once they have made their country self-sufficient in know-how and industrial production they shall have then conveyed the true message of the Islamic revolution to the world peoples.

Khamene'i expressed hope that this year the Iranian people would take one full stride towards their ultimate goal and that the nation would continue to march on a firm path to cultural, economic and political independence.

The president also offered his special greetings to the relatives of martyrs, of war-wounded, and of missing and prisoners of war on the occasion of the new year.

/6091
CSO: 4600/262

KHOMEYNI DISCUSSES UNCHANGED WAR POLICY

LD241338 Tehran IRNA in English 1330 GMT 24 Mar 86

[Text] Tehran, March 24, IRNA--The leader of the Islamic Revolution of Iran, Imam Khomeyni, said here Monday that if Iraqi ruler Saddam Husayn won his imposed war against Iran, none of the regional countries would experience tranquility.

Imam Khomeyni was speaking to a group of visitors, including Majlis Speaker Rafsanjani, Prime Minister Musavi, foreign diplomatic corps in Iran, and a number of other officials on the occasion of the birth anniversary of Imam 'Ali (AS), the first Shi'ite Muslim imam, at Jamaran Mosque Monday morning.

He stressed that countries of the Persian Gulf region were not aware how Saddam would treat them if he became victorious.

Imam Khomeyni noted that all Iranian people, old and young, men and women, were well prepared to continue the fight until the achievement of final victory.

Referring to Iran's war policy, Imam Khomeyni said that the policy of the Islamic Republic of Iran towards the issue of the war had not changed and reiterated that "as long as this Aflaqi party (Iraqi Ba'th party) exists, we will fight to remove this cancerous tumor."

In fact, he said, the Islamic Republic of Iran was not fighting, but rather defending Islam. The city of Al-Faw was the center for Iraqi attacks against Iran and the Islamic combatants of Iran by liberating the city, defended Islam, the Imam added.

The Imam stressed that it was the duty of all Iranians to go to war fronts and uprise to defend Islam, adding that those who could not attend battlefields should assist behind the fronts.

The founder of the Islamic Republic of Iran said that what the country was facing was not an issue only relevant to Shi'ite Muslims but rather an issue related to Islam.

He said that when the big powers understood that Islam could provoke a forty-plus million population to revolt against them, therefore, they hatched plots against Islam.

Imam Khomeyni congratulated the occasion to all Shi'ite Muslims and Muslims throughout the world.

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CSO: 4600/263

UN SECURITY COUNCIL ATTACKED OVER IRAQ

GF241711 Tabriz International Service in Azeri 1715 GMT 23 Mar 86

[Text] [Passage indistinct] The supporters of the Iraqi regime have endeavored to prevent the UN Security Council from passing a resolution clearly exposing this matter [presumably the use of chemical arms] and agree to suffice with a mere statement. This indicates that the Islamic Republic of Iran's demands for the exposing of the violations of international law are not heeded. It is obvious that the UN Security Council members prefer to remain silent in that regard. However, the dispatch of Iranian fighters wounded as a result of the use of chemical arms to West European countries has informed the world peoples of the horrible crimes--crimes which have resulted in the martyrdom of 2,000 troops and the wounding of another 20,000.

It is obvious that the UN Security Council is indirectly responsible for the crimes. Until it takes serious measures to criticize Iraq's onslaught against the land of the Islamic Republic of Iran, it is impossible to expect the aggressive Iraqi regime to refrain from openly violating international law. The Iraqi regime has not only violated the 1925 Geneva Convention, it has also trampled upon the provisions of international law over the past 5 years--including those related to the treatment of prisoners of war, attacks on residential regions and merchant ships, and (?attacks) on passenger aircraft. The UN Security Council, however, has failed to demonstrate the slightest reaction against all this.

A Western newspaper commentator has stated that the council should criticize itself for failing to adopt the right position over the past 5 years. Had the UN Security Council criticized the Iraqi onslaught against the Islamic Republic of Iran, the supporters of the Iraqi regime would not have been able to continue to give multilateral support to it. As such, the war would have ended a few days after it began.

Regrettably, however, the UN Security Council's failure to adopt the right stance has given an opportunity to the supporters of Saddam to continue the delivery of different types of arms to his regime with a view to supporting its attacks against the Islamic Republic of Iran. The question as to who has supplied chemical arms to the Iraqi regime concerns the people of the world at the present time. Aren't the permanent members of the UN Security

Council--the United States and Great Britain in particular--the countries which supply chemical substances to Iraq? Therefore, how can the contrast between the condemnation of Iraq and the delivery of chemical arms to Baghdad be removed?

/6091
CSO: 1831/420

COMMENTARY URGES ARAB LEAGUE STATES TO CONDEMN IRAQ

LD291346 Tehran Domestic Service in Persian 1048 GMT 29 Mar 86

[Unattributed commentary]

[Text] Our country's Ministry of Foreign Affairs recently issued a statement in response to the recent resolution of the Arab League's foreign ministers. While noting once again the just demands of the Muslim nation of Iran regarding the imposed war, and stressing that Islamic Iran does not covet any part of Iraqi territory or of other neighboring countries, the statement declares: From the point of view of the Islamic Republic of Iran, a league which has shown no reaction except silence in the face of the aggression of an Arab country against the territorial integrity of a country that, from the time of the emergence of the Islamic revolution, has been defending Islamic-Arab aspirations, the liberation of noble Jerusalem and the destruction of the Zionist enemy--even when many Arab countries encouraged and supported this aggression--is not qualified to issue its opinion on the future of the war and the conduct of affairs concerning it. And it is better if this league were, in the least, to speak out about Iraq's war crimes to the countries and organizations which do not even believe in Islam, but which have been forced to admit the extensive war crimes of the Iraqi regime, and force the overpowered Iraqi regime to conform to the Islamic, humanitarian and international standards and regulations of the arenas of war.

It is interesting to note that, in spite of the fact that it is quite clear that Iraq was responsible for starting the aggression and for violating the territorial integrity of Islamic Iran and trampling on international laws and regulations with regard to the issues of the war, the said league, regardless of its unjustifiable reluctance to come to terms with these Iraqi acts, has for some time, through the seven-member committee of the Arab League, openly inaugurated activities intended to support the Iraqi regime. However, these efforts, just like other plots--due to the self-sacrificing and selfless devotion of the Muslim people and government of Iran--have not brought about any change in the situation of the falling Iraqi regime. As the trend of events has shown, the continuation of military, political and economic support for Iraq and plots against the Islamic Republic will not alter the final outcome of the war and the victory of the Muslim nation of Iran over global imperialism. It would be appropriate if the said countries, while taking note of the realities related to the imposed war, especially the recent successes of the soldiers of Islam in the victorious Val-Fajr-8 operations, which expose the weakness and helplessness and disintegration of the Iraqi Army, should not jeopardize the grounds for the recovery and expansion of their relations with the Islamic Republic of Iran.

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CSO: 4640/241

PAKISTAN

BENAZIR'S ARRIVAL IN PAKISTAN AWAITED

Karachi DAWN in English 17 Mar 86 p 1

[Text] LAHORE, March 16: Ms. Benazir Bhutto is expected to return home on April 10 from London. She will land at the Lahore Airport and address a public meeting the following day to begin a tour of the country during which she is expected to address about 30 mass rallies. Her tour of the four provinces will last for about 45 days.

The Central Executive Committee of the Pakistan People's Party, which ended its two-day meeting here, is understood to have communicated to the Acting Chairperson a tentative programme for her proposed nationwide tour. Ms Bhutto's final programme will be announced from London.

The tour programme, as chalked out by the party's Central Executive Committee, plans about 15 public meetings in the Punjab. From the Punjab she will go to the NWFP where she is expected to address about four mass rallie. Sind comes next where she will address 12 public meetings followed by two mass rallies in Baluchistan.

In the Punjab the cities where she will address ralies, include Lahore, Rawalpindi, Faisalabad, Pakpattan, Okara, Multan, Muzaffargarh, Alipur, Sargodha and Dera Ghazi Khan, she is expected to complete the Punjab tour in about 16 days.

The PPP's executive has, meanwhile, approved the report on provincial autonomy and constitutional amendments in this connection drafted by an MRD committee headed by Malik Mohammad Qasim. The committee favoured maximum powers to the federating units and adequate decentralisation to satisfy the people of the smaller provinces in particular.

However, it has made it clear that the proposed constitutional amendments to grant maximum provincial autonomy will be made only by a parliament elected under the 1973 Constitution.

The central executive committee [word unreadable] two resolutions on Sunday. Other resolutions will be released on Monday.

One of the two resolutions urges Gen. Zia-ul-Haq to surrender unlimited powers which he had acquired through the new constitution of 1985 and by retaining the office of the Chief of Army Staff. It also demands fresh elections under the 1973 Cnstitution in the 'best interest' of the nation.

It says that the abrogation of the federal, parliamentary, democratic and Islamic Constitution of 1973 and the promulgation of a constitution given by a single man which was passed by a parliament elected under a non-party and non-political system, has endangered national integrity.

The resolution declares total solidarity with the objectives of the MRD and assures its fullest cooperation and coordination to the alliance till the achievement of its objectives. It also describes the expected return of Ms Benazir Bhutto as "a good omen' for the early realisation of democratic objectives and hopes that all the patriotic and democratic forces would extend their cooperation for the success of the countrywide peaceful mass movement under Miss Bhutto's leadership.

The second resolution condemned the incidents at Mazai, Gadoon and said that it was the inalienable right of peasants to sow the crop of their own choice, but if the government, "under the dictates of the US imperialism" and the proposal of the Narcotic Control Board wanted to acquire that land it was morally and legally bound to pay a compensation to the peasants. The resolution demanded a compensation of Rs 1 million each to the families of 20 killed farmers and Rs 500,000 each to the injured. It also called for the release of those still under arrest.

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CSO: 4600/259

PAKISTAN

JATOI EXPRESSES VIEWS ON CONSTITUTIONAL VACUUM, DICTATORSHIP

Karachi DAWN in English 17 Mar 86 pp 1, 4

[Article by M. A. Mansuri]

[Text] LONDON, March 16: Mr. Ghulam Mustafa Jatoi, President, PPP Sind on Saturday night said he was opposed to dictatorial trend whether in the party or in the country, and was committed to oppose it everywhere.

Addrssing a gathering of over 100 political workers at a dinner, arranged in his honour in a London restaurant by Mr. Ghulam Mustafa Khar, Mr. Jatoi said political parties would never succeed in their struggle for restoration of democracy in the country if they did not practise democracy themselves.

Mr Jatoi's speech was punctuated by loud slogans of "Khar-Jatoi, Bhai Bhai".

Earlier, about half a dozen speakers, representing various parties including Tehrik-i-Istiqlal, Qaumi Mahaze Azadi and Pak Afghan Society, paid tributes to Mr. Ghulam Mustafa Khar for his services to the cause of democracy in the country and Pakistan itself, with the hope that Mr. Khar and Mr. Jatoi symbols of unity between the two most populous Provinces of Pakistan — will continue to cooperate in the struggle to save Pakistan.

Mr. Jatoi said the country was passing through a very critical period. The propaganda that Martial law has been lifted and democracy has been restored was not correct. The shadow of Martial Law Government was till there he said, adding that the same person held the office of the country's President who continued to be the Chief of Army Staff, and there was also a Defence Minister. This was an unprecedented situation, full of contradictions, and the country must be pulled out of it.

ELECTIONS: He severely criticised the recent elections in Pakistan, and said none of the contestants had a mandate from the people. Zia-ul-Haq had no right to amend the 1973 constitution which had been framed after a massive effort by elected representatives of all the four Provinces. The amended Constitution, he added, was not acceptable to the people because it had been made by a dictator to promote his own interests.

He said the slogan for confederal system had been encouraged by the people's sense of deprivation for a long period of eight and a half years. Now the position was such that unless the quantum of provincial autonomy was increased, the condition will never improve. He regretted that the 1983 movement in Sind was described by the military government as a secessionist movement, though in fact it was "save Pakistan movement" this had caused more disappointment among the people, he added.

1973 CONSTITUTION: Mr. Jatoi said he agreed with Wali Khan and others who demanded a new Constitution for the country. But, he said, he and his collegues believed that for the cause of the country's integrity the 1973 Constitution should be brought back through the Assembly, and thereafter an effort should be made to resolve issues like quantum of provincial autonomy. Otherwise, he feared, the country would continue to be without a Constitution for a long time which, he thought, will be more dangerous.

He said Pakistan was the creation of vote, and only the right of vote can keep it intact. Therefore, he thought, contradictions brought about by the Provisional Constitutional Order and the recent referendum and elections must be removed. This objective can be achieved only by the restoration of the 1973 Constitution and holding elections under that. Otherwise, he claimed, the country's integrity would be endangered.

Claiming that conditions had been going from bad to worse because of dictatorial trends in the country, he said when Sheikh Mujibur Rehman and Mr. Z. A. Bhutto came out against dictatorship, Ayub Khan had already become a civilian President. Still he had to yield to people's pressure. Later, Yahya, Khan held fair and free elections mainly because he had been misinformed about the situation, but he declined to hand over power and the results were disastrous.

SAFE INVESTMENTS: However, he said never before, even under the British rule, such big reliance of Martial Law courts and flogging was seen as under the last Martial Law. Even now, he claimed, when the Martial Law is claimed to have been lifted, hundreds of people were rotting in jails, and the punishments awarded by Martial Law Courts had been legalised.

He said he appreciated the struggle put up from abroad by Pakistanis living in exile for the cause of the country. He promised that the PPP when it came to power, would set up special machinery to guide their money to safe investments and eliminate red-tape. Many of them, he said, had murder cases and other serious charges pending against them in Pakistan and they could not go back home until the situation improved.

Mr Jatoi said he himself had suffered a lot. When he was in England last time, his family in Pakistan was served with a two-week notice with a demand for Rs. 25 lakh as income tax fines. He refused to bow down to such pressures, sold the ginning factory that was built by his father, and paid the demanded sum. He said his most precious asset was his credibility, and he would never betray people's expectations. He believed that every effort must be made for the survival of the country, as all other interests depended on it survival.

A large number of office-bearers, former MNAs, Senators, MPAs and former provincial Ministers have appealed to the people to accord a rousing welcome to Mr Ghulam Mustafa Jatoi, President, Pakistan People's Party, Sind, on his arrival here from London on March 21.

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CSO: 4600/259

PAKISTAN

GHAFFAR KHAN CALLS FOR PARTY 'FOR THE OPPRESSED'

Karachi DAWN in English 17 Mar 86 pp 1, 3

[Text] KARACHI, March 16: Khan Abdul Ghaffar Khan on Sunday underlined the need for forming a "separate party" of the Sindhis, Baluch and Pakhtoons who, he said, were *mazloom* (the oppressed lot).

It was his sincere desire that the people of the three smaller provinces should, by common agreement, have an action programme for their "salvation", he added.

Bacha Khan was speaking at a dinner hosted in his honour by Dr Hameeda Khuhro at her residence. Prominent among those present were Mr Ali Ahmad Khan Talpur, Mr Mumtaz Ali Bhutto, Mr Abdul Khaliq Khan and Mr Fareed Toofan (the last two have accompanied Mr Ghaffar Khan from Peshawar), Syed Imdad Mohammad Shah and Mr Liaquat Baluch, MPAs; Mr Abid Zuberi, Mr Mujib Pirzada, Mr Hakim Ali Zardari, Mr Shafi Mohammadi, Mr Haroon Ahmed, Mr P.K. Shahani, Haji Sher Khan and Mr Ahmad Ali Soomro.

Mentioning Punjab by name, Mr Ghaffar Khan complained that nearly 40 years had elapsed since the inception of Pakistan, yet they (the Punjabis) do not consider "us" their brethren. "Even now we are being treated as slaves".

He said "darkness' had spread all around and there was no light at the end of the tunnel. Until now, there had been restrictions on the movement of politicians, but when these were lifted, he had taken the first opportunity to visit Sind to have reactions of the people to his proposal of a "separate platform" of the Sindhis, Baluch and Pakhtoons.

Mr Ghaffar Khan recalled that in 1983 (when the MRD's pro-democracy movement was launched) he had told his (Pakhtoon) people not to join in the struggle unless Punjab had taken the lead.

He had then argued that even if democracy was restored, of what use will that be to them (the people of smaller provinces), since it will be Punjab which will continue to "rule" as ever before.

Strange is the way of politics in Pakistan, Bacha Khan said, while pointing out that when the time for general elections came, Punjab made every haste in deciding to take part.

On the other hand, "when I talk of the rights of my people, the Punjabis who control the Press and the bureacracy call me a traitor, a Hindu and anti-Pakistan", he added.

Mr Ghaffar Khan pointed out that since there was no way of taking the people into confidence through the Press, he had undertaken such a long journey to be with them (Sindhis) and to know how they felt about a united platform for the Sindhis, Baluch and Pakhtoon people.

Earlier, Dr Hameeda Khuhro in her welcome speech said that Pakhtoons and Sindhis were united in their resolve not to let the Kalabagh Dam project be forced on them. Besides, she said, there were many other problems in common between the people of the three smaller provinces, one of them being the question of full autonomy, which they had to solve unitedly.

Dr Khuhro said people were "very fortunate" in having inspiration and guidance from Mr Ghaffar Khan despite his advanced age.

The Khudai Khidmatgar leader spent Sunday receiving a number of delegations representing the Pakhtoon Students Federation and the Pakhtoon United Front and others representig the Seraiki "province", the legal fraternity and the Lyari area.

In addition, a two-member delegation from the Ahmadiya community also waited on Mr Ghaffar Khan.

When contacted, Mr Mumtaz Bhutto, told *Dawn* he had met Mr Ghaffar Khan for the first time on Saturday night and was, indeed, very impressed by him.

Mr Mumtaz Bhutto said he explained to Bacha Khan the aims and objects of the Sindhi-Baluch-Pakhtoon Front (SBPF) and the latter listened to him with rapt attention. Asked whether there was any meeting ground, Mr Bhutto smiled and said Mr Ghaffar Khan wil be visiting Larkana soon, implying he would have further talks with Bacha Khan.

Mr Ghaffar Khan, accompanied by Dr Hameeda Khuhro and Syed Imdad Mohammad Shah, MPA, (son of Mr G.M. Syed), will leave by road early on Monday morning for Saan (Dadu District), home village of Mr Syed, where he will participate in Mr Syed's birthday celebrations.

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BIZENJO SAYS NEW LEFTIST PARTY TO BE FORMED

Karachi DAWN in English 23 Mar 86 p 12

[Text] QUETTA, March 22: A single Leftwing party, composed of principal progressive and democratic parties of Pakistan, will be formed in the near future which will strike for national democracy in the country.

This was stated by Ghous Bukhsh Bizenjo, President, Pakistan National Party at an exclusive interview with 'PPI' here on Saturday.

He said the new party would be purely a democratic, anti-imperialistic and secular and it would stand for the right of nationalities and for effective enforcement of true national democracy in the country.

He said initially six progressive and democratic parties i.e. Pakistan National Party (PNP), National Democratic Party (NDP), Mazdoor Kisan Party (MKP), Pakistan Mutahida Mahaz and Awami Tehrik have already agreed in principle on the formation of a single Leftwing party in Pakistan.

The name of the sixth component party of new leftwing party would be announced on March 26, 1986.

All the six components of the proposed party would meet at Karachi to consider constitution and process of amalgamation of the existing progressive and democratic parties of the country into a single and strong opposition party.

Two members from each progressive and democratic existing parties have been included in a committee headed by Sardar Shaukat Ali, General Secretary, Mazdoor Kisan Party.

Mr. Bizenjo said the committee had already prepared a common manifesto for the proposed progressive and democratic party.

Mr. Bizenjo said: Once there is general consensus on the manifesto constitution and process of amalgamation of existing progressive and democratic parties for this single Leftwing party. Then its executive committee would meet to prepare a line of action for achieving objectives spelled out by the proposed party.

Replying to a question, Mr. Bizenjo said the proposed Leftwing party would work within the framework of MRD which is striving for the restoration of democracy under 1973 Constitution and for the return of a popular elected government in the country.

LYARI: Later addressing a Press conference at Press Club here on Saturday the PNP chief expressed grave concern over growing incidents in Lyari area of Karachi and called for complete halt to police action against the people.—PPI

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PAKISTAN

CONFEDERATION IDEA ANALYZED, OPPOSED

Karachi DAWN in English 22, 23 Mar 86

[Articles by Makhdoom Ali Khan: "The Myth of a Confederal Option...PART I; and "Core Issue: Balancing Central Authority With Provincial Rights...PART II"]

[22 Mar 86 p 7]

[Text] CONTROVERSIES about the nature and form of government are usually resolved by nations in the early years of their independence. With the growth of political culture and development of constitutional government discussion is directed towards the resolution of more complex problems. In our case, however, thirtyeight years after freedom was won the debate on primary issues continues unabated. Recently, it has been joined by Mr. Mumtaz Bhutto and his Sindhi-Baloch-Pushtoon Front colleagues.

A confederal constitution is being presented as a solution to our problems. The idea is not new. This is not the first time that such a demand has been raised by an influential, albeit small, group of political leaders. Much of what is being said is a revamped version of the late Shaikh Mujibur Rahman's rhetoric, with the exception that the Awami League leadership was at least more coherent about its economics.

It is being argued that the repeated intervention of the military in politics has destroyed the federal framework. The 1973 Constitution has proved inadequate to prevent the usurpation of the provincial domain by the Centre and its own cancellation by the armed forces. The smaller provinces are, therefore, justified in rejecting a system which has failed to protect their interests and autonomy. Only a confederal constitution, it is said, can determine the adequate quantum of provincial autonomy and then protect it from the depredations of the army and its allies.

Precedents

History is also summoned in aid of this proposition. The fears, of domination by the majority community, expressed by the All-India Muslim League in 1939, the Lahore Resolution of 1940 and the Delhi Resolution of 1946 are all cited as precedents supporting the confederal case. The establishment of a Council of Common Interests and Senate on the principle of provincial parity under the 1973 Constitution are also quoted as examples of a move towards a confederal system of Government.

As one reads the "Outline" published by the SBPF it becomes apparent that its authors have spent very little time in separating cause from effect. The undermining of the federal structure, for example, is the effect not the cause of myopic policies pursued by the men at the top with scant regard for popular feeling in the smaller provines. An adherence to federalism would have required them to follow a course of action which, while promoting the national objectives, did not threaten provincial autonomy. The federal principle is something which has always found prominent place in our constitutional theory but never in practice; its rejection, therefore, cannot conceivably bring about a change in the policies of our government.

The federal system of government is specifically designed for racially or culturally diverse groups of people who want to be united under a Central Government for some purposes and retain regional governments for others. Because this act of coming together is almost in the nature of a treaty, a vertical division of powers takes place between the Central and provincial Governments. To prevent authority from being abused, the rules governing this division are incorporated in a legal document and power is further distributed horizontally between the legislature, the executive and the judiciary.

This diffusion of power between the different governments and the various institutions of government is one of the best safeguards devised so far against the exploitation of smaller units by the larger members of the federation. A bicameral legislature with one House established on the basis of provincial parity is yet another federalist method of ensuring that no single unit, irrespective of its size or population, can dominate the law-making process. The creation of the Senate and the Council of Common Interests under the 1973 Constitution was an acknowledgment of this rule and not a link in the chain of confederal evolution.

Safety devices

Similar safety devices are also built into the constitution-amending mechanism. Because a federal polity is created through the consent of its constituting units it is deemed advisable to make the Basic Law amendable through some sort of a joint central-provincial action. In the United States a resolution passed by a two-thirds majority of both houses of Congress must receive the assent of three-fourths of the states to become a constitutional amendment. In Australia and Switzerland the amendment Bill after passing through both houses of the Federal legislature must receive the approval, in a referendum, of the majority of electors voting in a majority of the constituent units. In India a Bill which seeks to alter the balance of power between the Centre and the states (provinces) has to be ratified by the legislators of at least 50 per cent of the states before it can be presented to the President for assent.

The amending procedure of our Constitution is within the exclusive control of Parliament and needs to be improved. To bring it in to harmony with the requirements of federalism Parliament ought to share this power with the provinces. As a referendum on the Swiss or Australian pattern is a very cumbersome and expensive exercise, the Basic Law can be altered to provide that an amendment to the Constitution can be made only through a Bill which is approved by the two-thirds majority of both Houses of Parliament and by simple majorities of at least three of the four provincial assemblies.

Such a change will make it difficult for the Federal Government to guillotine argument and hurriedly write its whims and fancies into the Constitution. The period of debate will be increased and so will be the levels on which it is carried out, thus providing a greater opportunity to evaluate the merits of any alteration proposed. The people of different regions acting through their representatives in the regional legislatures will be provided a forum to express their doubts, fears or enthusiasm and thus participate in the process of constitutional change.

Procedural change, however, is not all that is required to entrench the federal doctrine in our Fundamental Law. The very wide executive powers which vest the control of many important provincial matters, including appointment of key functionaries, in the President need to be curtailed as do the powers of Parliament. The excessively long concurrent list makes it impossible to demarcate the boundaries which separate the powers of Parliament from those of the provincial Assemblies. This provides an easy opportunity for the Government at the Centre to exceed the limits of federal authority and intrude into the provincial domain. Checks should be imposed on this threat to provincial autonomy by trimming the concurrent list and enlarging the scope of exercise of law-making powers by the provincial legislatures. These and other such measures within the federal framework will involve the people even of smaller regions in political and constitutional decision-making and widen the popular base of the Federal Government.

In our case, the absence or abeyance of the political process, rule by fiat rather than consensus and the tendency of the rulers to tighten their grip on power rather than promoting national unity and integration on a genuine basis has created a climate of mutual fear and distrust among federating units, on the one hand, and between the Centre and the provinces, on the other. But the chasms are not unbridgeable. Federalism unites people by recognising their ethnocultural plurality. Popular participation provides an opportunity to enter into relations with one another and go through common endeavours and experiences. Over a period of time, solowly and painstakingly, these relations and experiences mature into a shared system of meanings.

Primary importance

It is this gradually developed community of understanding and interests and not geographical boundaries, religious affinities or oaths of loyalty to the Constitution that gives democracy its inner vitality and resilience and arms it with great shock-absorbing power. Our constitutional theory has always acknowledged the primary importance of these principles for our polity. If we are to build towards a stable democratic order we must now commit ourselves to their practice in our politics.

It cannot be denied that the provinces need protection. But the SBPF confederal solution does not answer this need. Confederation would really mean a voluntary association of provinces, with the Centre deprived of any direct or effective power or authority over the citizens or the regions. Such a weak grouping is ill suited for resisting external aggression or the internal challenges of powerful interest groups.

[23 Mar 86 p 9]

[Text] **WE LIVE in a highly unbalanced society. The problems of widespread poverty, illiteracy and deprivation are made only more conspicuous and biting by wide disparities in development and income distribution between one region and another and within each region itself. Yet any move towards a more equalitarian setup is made impossibly by the powerful feudal opposition to such a development. Without some sort of central authority and unified action it will not be possible to break these shackles and progress towards the concept and reality of a welfare State.**

Food, clothing and shelter are not available to a large section of the population. A lot of efforts have to be made for the promotion of education, provision of health facilities and creation of better working conditions. A uniform policy pursued by a central authority for the development of the nation as a whole is likely to prove more effective and achieve better results than the disjointed efforts of the provinces. To carry out these policies the Centre needs both power and purse. Federalism strikes a balance between a unitary system and a confederal solution. It leaves to the Centre enough resources for pursuing these policies but prevents it from trespassing on the regional territory by throwing a constitutional hedge around it.

Farm property

The provinces can join in this effort to uplift the masses. Reduction in the Federal area of operations and expenditure will leave more power and money with the units. The units, in their turn, must also reorganise their finances by undertaking a drastic downward revision of their non-development expenditue. Further, to generate more income a beginning can be made by taxing agricultural property — higher agricultural incomes to be exact. Property tax has always been a provincial subject and, while the provinces have always clamoured for more money, so strong has been the feudal grip on the power structure that not even a thought has been given to raising revenue from this obvious and potentially rich source. Such a policy of taxation will not only strike at the root of feudal power but will also make considerable funds available for pursuing policies directed towards the promotion of public welfare and the economic well-being of the common man.

On the historical plane, too, the idea of a confederation is untenable. In the very few instances where such associations of provinces were made, they soon developed into federal States as the realisation dawned on the constituents that the vigour of government within the limits of law is one of the best guarantees of individual liberty. From 1778 to 1787 the U.S.A. was a confederation but the dangers embedded in such a loose grouping soon became apparent and a federation was formed. The Federalist Papers written by Hamilton, Madison and Jay to promote Union and the federalist ideal as enunciated by some of the renowned political scientists and as practised in many large and small countries eloquently expose the weaknesses and dangers inherent in a confederation. Like the United States, Germany and the Netherlands have also experimented with and rejected the confederal solution as wholly unworkable. Switzerland is the only surviving confederation but that, too, only in theory; for all practical purposes it has evolved into a federation.

As for the history which SBPF relies upon to prop up its confederal thesis, I do not propose to enter here into semantic wrangling over the meaning and effect of the Lahore and Delhi Resolutions. It is, however, necessary to state that in order to derive the legitimacy of a present-day claim from the words of some historical document it is imperative to read them in accord with the intentions of its drafters. The present can, therefore, be linked with the past through history only if there is a broadly agreed interpretation of the intents in question.

This is particularly so because, while some concepts may remain constant in meaning across the time span, the preception and relevance of these may change with the passage of time and under dictates of events. History is not a smoothly flowing stream. Its twists and turns and, more so, its discontinuities often render it impossible to make an accurate determination of past intentions. The only valid criteria we are then left with for interpreting such intentions is popular agreement. The basic flaw with the SBPF historiography is that it assumes a consensus where none exists.

Ironically, the proponents of federalism and the supporters of centrist control, too, rely on the same documents and history to prove their point. In such circumstacnes the words of the Resolutions can hardly prove to be a useful guide for the resolution of current problems.

The historical forces which are mobilised to create a world are very different from those that are required to maintain it. The arguments advanced to secure independence are different from those that are offered for its preservation.

We ought to remember that in order to preserve the world he was creating the Quaid-i-Azam had absolutely insisted on bringing the politics of Muslim majority provinces under the tight control of a nation-wide party. He never qualified his claim to be the sole spokesman of the Muslim cause. This consistent federal theme in our pre- and post-independence politics cannot be stressed too much.

Lahore Resolution

Further, the assertion that the confederal idea is sanctified by the Lahore Resolution was refuted by Quaid-i-Azam in his life-time. On Sept 15, 1944 Mr M.K. Gandhi addressed a letter to him raising certain queries about the Resolution. In reply to one of these questions in his letter of Sept 17, 1944, the Quaid-i-Azam made it clear that the provinces would not be transformed into independent States but will form "the units of Pakistan". In an interview published in the *Times of India* on Nov 9, 1945, he asserted that the units will be "federated units" of the "national Government" having all the autonomy that is to be found "in the Constitutions of the United States of America, Canada and Australia". We cannot divorce the words of the Lahore Resolution from the intentions of its framers when interpreting these for our purposes. These clarifications by the Quaid-i-Azam leave one in no doubt that the Lahore Resolution was a demand for the creation of a strong and united federal State of Pakistan and not a call for setting up a number of weak confederacies.

The 1973 Constitution enshrines our commitment to a federal democracy. Its suspension by the military regime and the intervention of the armed forces in our politics is not an indictment of the Constitution but symptomatic of our indifference to the imperatives of democratic federalism. The army emerges on the political scene when the civilian government is under stress and societal conditions are favourable. No constitution, whether federal or confederal, can of its own guarantee political stability. It is merely a document and is only as strong as our commitment to it. This commitment is strengthened when the rulers conduct their business in accordance with the terms of the constitution and conform to rules. Participatory processes and respect for the rule of law foster a democratic tradition which in times of trouble proves to be the best insurance against praetorianism.

Separate confederacies exercising the same kind of powers, often in conflict with one another, can hardly provide fertile soil for the growth of stable political institutions on a national level. The weakness of authority at the Centre and proliferation of conflicts between the units is all what a powerful group needs as an excuse to engineer a coup under the pretext of restoring order. Fragmentation of authority quite often opens the door for a strong man to walk in and impose his will on the disparate segments of society.

Inherent weakness

A confederal system will increase the very dangers it is supposed to forestall. But in spite of this doctrinal inconsistency and inherent weaknesses the idea has gained some ground. Credit or blame for this must be apportioned equally between the SBPF and the Government. The top heavy centrist policies of the last many years have ignored the interest of the people of smaller provinces. An atmosphere has been created where any idea, no matter how subversive, which has an air of novelty and an appearance of opposition to central authority finds immediate support in certain quarters. The demand for a confederation consequently strikes a responsive note.

It has also granted avidly desired publicity to the SBPF leadership and made them a focus of media attention. Some of these leaders enjoy a certain appeal and with their help the move can ignite fissiparous tendencies in our body politic. The answer to it lies in working towards a balanced and fully representative system of government and not in repression. As the East Pakistan tragedy illustrates repression breeds hate and hate is the worst enemy of rational analysis and political stability. A free government must give its people the freedom to debate, discuss, espouse or advocate ideas no matter how subversive it considers them to be. If freedom of expression has any meaning it is the freedom to express an idea which may be obnoxious to the majority of the people. The path of safety lies in providing an opportunity freely to discuss the supposed grievances and proposed remedies in the firm belief that a false idea when exposed to public scrutiny will defeat itself.

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ANTI-PAKISTAN SLOGANS ASSAILED

Karachi DAWN in English 17 Mar 86 p 3

[Text] KARACHI, March 16: Prof. Ghafoor Ahmad, Naib Amir of Jamaat-i-Islami (Pakistan), in a Press statement said on Sunday that anti-Pakistan slogans on the arrival of Bacha Khan in Karachi were the result of wrong policies of the government to woo anti-Pakistan elements.

He said there was gross inconsistency in government policies which had offered a special plane to take Bacha Khan to India, despite the known anti-Pakistan stance of the Khudai Khidmatgar leader.

HOTI: Mr Bostan Ali Hoti, President of Karachi Zonal Muslim League, in a Press statement wondered how persons who raised such slogans and others who failed to check the slogan-mongers could be held patriotic.

He asked the government to take notice of these people and initiate due process of law so that others are dis-couraged in future.

Such slogans also provoke the patriotic elements and could result in violence if the government did not take action, he warned.

He also urged the MRD to take due notice of such utterances and irresponsible acts on the part of leaders of its component parties and their supporters, or the people would be fully justified to accept it as a policy of the MRD itself.

APP adds:

NADEEM: In separate statements Sind Ministers, Al-Haj Shamimuddin and Mr Zuhair Akram Nadeem, censured elements who had gone to receive Khan Abdul Ghaffar Khan and raised slogans against Islam, Pakistan and the Quaid-i-Azam.

They appealed to patriotic elements to take notice of such elements and hold them accountable for their mischivious acts.

They pointed out that they were the same elements who had opposed the Freedom Movement and creation of Pakistan. But it was the blessing of Almighty Allah and the struggle of Muslims of the Subcontinent who at last got a separate homeland and the opponents had to meet disgrace.

MPAs: Similar statements issued by members of the provincial Assembly, Mr Abdul Sattar Viyani and Mr Nasiruddin said that not only the people of Karachi but of the entire country fully knew about the nefarious thinking and designs of such people who raised slogans against Islam and Pakistan.

They said that it was no more a hidden secret that such elements were out to create chaos and confusion in the country on the behest of a particular group and had nefarious designs against the very existence of the country.

They warned that the people of Karachi would never tolerate such elements and strictly hold them accountable for their unwanted acts.

ML LEADERS: Muslim League leaders, Sarfraz Khan, Kamal Ahmed Siddiqi and Dr Habibur Rehman also condemned those who at the time of welcoming Khan Abdul Ghaffar Khan raised slogans like "'break up Pakistan". They also raised slogans against the Quaid-i-Azam.

They said that such people never reconciled with the creation of Pakistan and noted that with democratic freedom they were taking undue advanctage to create chaos and dissension in the country.

Maulana Shah Turabul Huq, MNA, said that the supporters of Khan Abdul Ghaffar Khan, by raising slogans for breaking up Pakistan, proved that neither they had any interest in democracy nor in solving the problems of people.

In fact they were engaged in machinations against the very existence of Pakistan.

People were losing patience and would not tolerate anti-Pakistan elements, he warned.

AFGHANI: Maulana Ghulam Dastgir Afghani, religious leader and former President of Jamaat Ahle Sunnat, described the journey of Khan Abdul Ghaffar Khan from Peshawar to Karachi as "Dajjali Safar".

Those who raised slogans against Pakistan could only be described as agents of enemies of Pakistan, he asserted.

Maulana Irshadul Huq Thanvi also condemned slogans against Pakistan and ideology of Pakistan. In fact such elements gave a demonstration of their evelish thinking and mental bankruptcy.

He called upon the people to make it clear to clique of "Sarhadi Gandhi" that there is no room for traitors in Pakistan.

Other statements were also issued by Maulana Mohammad Wasaya Al-Khateeb, President Jamaat Ahle Sunnat, Karachi; Hafiz Sher Khan Niazi, Acting Nazim-i-Aala, Alhaj Malik Ahmad Khan, Haji Khan Mohammad Paracha, Qari Gul Jahan Siddiqi and Haji Abdullah Khan.—APP.

Sind Solidarity Forum has taken exception to slogans raised against Pakistan on the occasion of arrival of the Khudai Khidmatgar leader, Khan Abdul Ghaffar Khan, here on Saturday.

In a Press release it urged all patriotic elements to condemn those who want to see Pakistan dismembered.

Shaikh Liaquat Husain, a PML leader, said in a Pres statement Mr. Ghaffar Khan's designs were too well known to cause any surprise over his latest utterances against Pakistan. He urged the Government to take cognisance of the activities of such persons who publicly criticised Pakistan's ideology.

AIJAZ TALPUR: Our Staff Correspondent from Hyderabad adds:

Pakistan is an ideological state and it was created only in the name of Islam and no Muslims, particularly the people of Sind province, will tolerate anti-Islamic and anti-state activities.

This was observed by Acting Sind Chief Minister, Mir Aijaz Ali Khan Talpur, in a statement while taking exception of the remarks by Khan Abdul Ghaffar Khan on his arrival in Karachi on Saturday.

He was of the view that the people of Sind, who had given vote for separate homeland for Muslims, would never like to be a party in the dismemberment of the country.

Mr. Talpur also advised those whom he called disgruntled elements to shun the politics of disruption, division among various sections of population, particularly those living in the gate of Islam — that is Sind province.

Commenting on 'Ghaffar-Syed Bhai Bhai' slogans, Mir Aijaz Ali Khan Talpur said that all the political forces following restoration of democracy were free to express their point of view within law, but such slogans which may create feeling of disaffection and misgivings will not be allowed at all.

About recently emerged Sind-Baluch-Pakhtoon-Front (SBPF), the Acting Chief Minister said that those who were in power and government and did not serve the people of the country were again attempting to befool the innocent people by propagating nationalities just for their political ends.

PPI from Sukkur adds: Political leaders, social workers, journalists and people from all walks of life have condemned the anti-Pakistan slogans raised in Karachi on Saturday on arrival of Khan Abbdul Ghaffar Khan.

In separate Press statements, they said the politics of Khan Ghaffar Khan was gliding due to existence of Pakistan. If there will be no Pakistan, his politics would die its natural death.

They said every citizen of Pakistan was prepared to safeguard its entity even at the cost of his life.

The leaders include: Khan Munawwar Khan, MPA, Begum Naureen Islamuddin and other.

Meanwhile, a meeting of journalists held under the presidentship of Mr Sami Pirzada, General-Secretary, Sind Journalists Forum, decided to boycott the political activities of Ghaffar Khan.

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PAKISTAN

MINISTER CITES STATISTICS ON LAND SAVED FROM WATERLOGGING

Karachi BUSINESS RECORDER in English 21 Mar 86 p 1

[Text] LAHORE, March 20: Federal Minister for Water and Power Jamal Said Mian said that so far the government has completed 30 projects with an investment of Rs. 10 billion and protected 8.5 million acres of land from waterlogging and salinity.

Addressing the waterlogging and salinity seminar here today, the minister said 14 projects were under implementation. These would cover an area of another seven million acres at a cost of Rs. 10 million.

His ministry, Jamal Said Mian added, is in the process of working out a revised investment schedule and implementation strategy to combat this menace in the wake of Prime Minister's declaration allocating Rs. 15 billion for the purpose. It will, he said, evolve a new strategy after due evaluation of its past efforts. The plan is to eliminate waterlogging in areas with water-table within five feet from the surface round the year.

The ministry also proposes to involve private sector in the sweet water zones and provide it with financial and technical assistance in sinking tubewells to control water-table and supplement irrigation. It is also trying to develop a strategy to reduce government's liability through transition of Scarp projects.

Earlier Wapda chairman Ghulam Safdar Butt said in his address of welcome problem of waterlogging and salinity has not been entirely solved. "We are, however, in a position to say that we have got on top of it." Only 4.5 million acres or 11 per cent of the total irrigated area remains seriously waterlogged and results of the most recent surveys indicate that the extent of soil salinity has gone down from about 40 per cent to 28 per cent.

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